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SUNDAY, JANUARY 14, 1990/JAMADUL THANI 18, 1410 AH

22 PAGES 150 FTLS

Kuwait, Egypt back Palestinian uprising

KUWAIT and Egypt yesterday re-affirmed their support of the Palestinian uprising in the occupied territories and urged the international community to exercise pressure on Israel to halt its repressive acts against Palestinians.

In a joint communique, issued from Cairo and Kuwait on the conclusion of the visit of His Highness the Crown Prince and Premier Sheikh Saad Al Abdullah Al Sabah to Cairo

Jan 8-10, the two sides also praised the inclinations towards peace by the PLO, voicing their support for efforts to achieve a just, lasting and comprehensive settlement to the Middle East crisis.

Kuwait and Cairo stressed that an international peace conference, with the PLO attending on equal footing with the other parties concerned, is the best means for

resolving the Palestinian problem.

On the Iraq-Iran conflict, the two sides agreed that efforts must be doubled towards transforming the nearly 16-month-old ceasefire between the two countries into a comprehensive peaceful settlement.

In this respect, they highly valued efforts by UN Secretary General Javier Perez de Cuellar on eliminating all obstacles impeding progress in the peace negotiations and wel-

comed the Jan 5 initiative by Iraqi President Saddam Hussein on ending the conflict between the two Muslim neighbours.

The two sides examined the current situation in Lebanon and expressed satisfaction over the latest developments in this Arab country, appreciating the role played by the Arab League's three-member committee.

They urged all international, regional and

Lebanese parties to stand firmly behind President Elias Hrawi and his government to maintain Lebanon's unity and sovereignty.

The two Arab countries also praised the East-West détente and expressed hope that this would help restore peace to the globe and enhance international economic co-operation.

Sheikh Saad and Egyptian officials reviewed spheres of co-operation between the two

countries in the various fields and agreed to enhance them further.

During the Crown Prince and Premier's visit, a memo of understanding was signed by the Kuwait Fund for Arab Economic Development (KFAED) and the Egyptian Ministry of Industry, under which the fund would grant Egypt a KDI4 million loan to co-

(Continued on Page 9)

Pregnant Benazir worries Pakistan

ISLAMABAD, Jan 13. (Agencies): Pakistan's pioneering Prime Minister Benazir Bhutto is expected to achieve another first later this month when she becomes the first elected government leader to give birth while in office.

But her right-wing opposition doesn't see any cause for celebration.

"It's a very extreme situation. We will have no chief executive officer for a few weeks," said Abida Hussain, an independent National Assembly member and leading opponent of the Benazir government.

When Benazir assumed office Dec 2, 1988, she became the first woman to lead a modern-day Muslim nation. She also was the youngest world leader, assuming office at the age of 35.

Benazir reportedly said her second child is likely to be born under the astrological sign of Capricorn, meaning the birth should occur before Jan 20.

Islamic fundamentalists have condemned her leadership, saying it runs contrary to religious tenets. A one-time member of Benazir's party, Hussain said "the feminist in me has been really outraged over this pregnancy."

"It was wrong, irresponsible and poses very serious difficulties for our nation," she said.

But Amina Piracha, a lawyer and member of Benazir's party, dismissed opposition fears, saying "I don't expect her to be out of circulation for that long."

"(Until now) she hasn't taken even one day of leave because of her pregnancy," she said.

Piracha said Benazir has debunked charges that having children puts serious limits on female ambitions.

Benazir's first child, Bilawal, was born less than a month before the Nov 1988 elections. She campaigned the day before the election and returned to the capital less than a week later.

Nasir Aslam Zahid, a constitutional expert in Pakistan's law, justice and parliamentary affairs ministry, said official parliamentary rules provide for a senior minister, appointed by the prime minister, to head the cabinet in her absence. The cabinet would deal with any emergencies, Zahid said.

In the past, particularly during her frequent travels abroad, Benazir left her mother and National Assembly member, Nusrat Bhutto, in charge.

The two Bhuttos share the chairmanship of the ruling left-of-centre Pakistan People's Party.

Radical rightist party Tehrik-e-Istislahi, led by former Air Force commander Asghar Khan, has criticised the Afghan policy of Benazir and called for adopting a realistic policy of Afghanistan question.

The Wednesday's Scud attack in the vicinity of Pakistan's largest ammunition production complex at Wah cantonment, "was the result of government's wrong Afghan policy," it said in a resolution adopted by the working committee meeting held in Karachi.

Weather

CLOUDY to partly cloudy weather with light to northwesterly wind changing to moderate southeasterly wind, and slight chance for rain.
State of sea: Slight to moderate
High water: 2.56 pm
Low water: 8.30 am, 8.20 pm
Sunrise: 6.44 am
Sunset: 5.10 pm
Maximum temperatures recorded:
Kuwait: 13°C 55°F
Ahmad: 12°C 54°F
Falkland: 13°C 55°F
Minimum temperatures recorded:
Kuwait: 5°C 41°F
Ahmad: 8°C 46°F
Falkland: 7°C 45°F
Maximum temperatures expected:
Kuwait: 15°C 59°F
Ahmad: 12°C 54°F
Falkland: 11°C 52°F
Maximum humidity recorded:
Kuwait: 47 per cent
Ahmad: 54 per cent
Falkland: 48 per cent

GCC discusses wind of change

Tripartite committee to formulate policies

BAHRAIN, Jan 13. (Agencies): Three Gulf Arab ministers will meet in Muscat on Monday to discuss the effects on Arab states of the political and economic changes sweeping the world, the Gulf News Agency (GNA) said.

Bahrain's Information Minister Tariq Almoayed, Oman's Minister of State for Foreign Affairs Youssef Bin Alawi Abdullah and Kuwaiti Finance Minister Jassim Mohammed Al Khorafi would take part in the meeting, the first of its kind,

GNA said.

Gulf officials say the tripartite committee—formed by leaders of the six-member Gulf Co-operation Council (GCC) at their annual summit in Muscat last December—will try to formulate policies to cope with new trends world-wide.

The changes include the unified European market in 1992, super-power détente, and political upheavals in Eastern Europe.

Oman's Sultan Qaboos during the last GCC summit urged Gulf leaders to match world change.

'IRA' tried to buy Stingers

Four arrested

WEST PALM BEACH, Fla., Jan 13. (Reuters): Four suspected members of the Irish Republican Army (IRA) were arrested in Florida yesterday and charged with plotting to buy a Stinger anti-aircraft missile with which authorities said they probably planned to shoot down a plane.

The suspects, taken into custody in West Palm Beach, also tried to buy other military weapons and explosives, the Federal Bureau of Investigation (FBI) said.

"These articles were to be used in terrorist activities outside the United States," the FBI said in a statement.

One of the men, Seamus Moley, allegedly paid undercover agents \$50,000 for the US-made Stinger, a shoulder-carried, heat-seeking missile that has been used by rebels in Afghanistan and Nicaragua to attack helicopter gunships.

"One would have to believe if they had such an interest in

procuring this type of weaponry, they planned a terrorist act and probably against an aircraft," said Robert Creighton, an agent of the Federal Bureau of Alcohol, Tobacco and Firearms, which conducted the two-month investigation with the FBI.

The men, three Irish citizens and a Canadian, were identified as members of the IRA.

Creighton said the undercover agents posed as people selling weapons they had stolen from the military. "They led us to believe they were involved in the procurement of weapons before (for the IRA)," he said.

One of the suspects, Joseph Martin McColgan, 39, of Dundalk, County Louth, Ireland, proclaimed his innocence as the four were paraded in handcuffs before television cameras last night.

"I'm just a poor Irishman here on holiday and was trapped by certain people," he said.

188,000 expected in next 5 years

By Hussein Salamah

THE Ministry of Social Affairs and Labour has projected the number of expatriate labourers expected to be added to the workforce in the country within the next five years at 188,000.

Mohammed Al Shabuan, Assistant Undersecretary for Labour Affairs told Arab Times that the ministry based its projections on the net number of expatriate labourers who remained in Kuwait during 1988.

The official said that about 64,000 expatriate labourers entered Kuwait for the first time in 1988 and over 27,800 left the country permanently. This leaves a net of about 36,200 labourers who add to the expatriate manpower during 1988.

Shabuan said that the expected figures of expatriates who will add to the manpower apply only to the private sector.

He added that according to a research conducted by the ministry on the basis of 1988 figures, the increase of expatriate labourers in the years from 1989/90 to 1993/94 will be between 36,780 to 38,316. In the current year, the research projected the increase at 36,870, in 90/91 at 37,321, in 91/92 at 37,593, in 92/93 at 37,954 and in 93/94 at 38,316 labourers.

These figures are approximate and could be higher if expatriates are permitted to bring their dependents.

Shabuan said that the number of expatriate emigrants to Kuwait and their movement is influenced by a number of factors—some determined and controlled by the Ministry of Social Affairs.

He commented that the labour regulations issued last year to regulate the labourers in the

In light of this, he said, "it is necessary to develop and activate co-ordination mechanisms and modernize the GCC's apparatus in a manner that would realize more flexibility and vividness on our collective work."

At a press conference on Thursday in Cairo, HH the Crown Prince and Premier of Kuwait, Sheikh Saad Al Abdullah said that Kuwait will consider restoring Parliament, suspended three years ago and ending press censorship.

"A study is being conducted now on lifting press censorship."

"We in Kuwait believed and still believe in the usefulness of public participation and their role in control and legislation," he said.

Asked about a possible restoration of parliamentary life following democratic changes in Eastern bloc countries, the Crown Prince cited a paragraph in the Amir's decree dissolving the house which said the action was temporary.

"The decree stated that the measure did not mean an end to the parliamentary life in the country. This was a commitment on the part of the Amir," the Crown Prince said.

Bahrain's daily Al Ayyam today quoted Abdullah Al Quwaiz, assistant secretary general of the GCC for financial affairs, as saying the ministers "will study a working plan towards these developments."

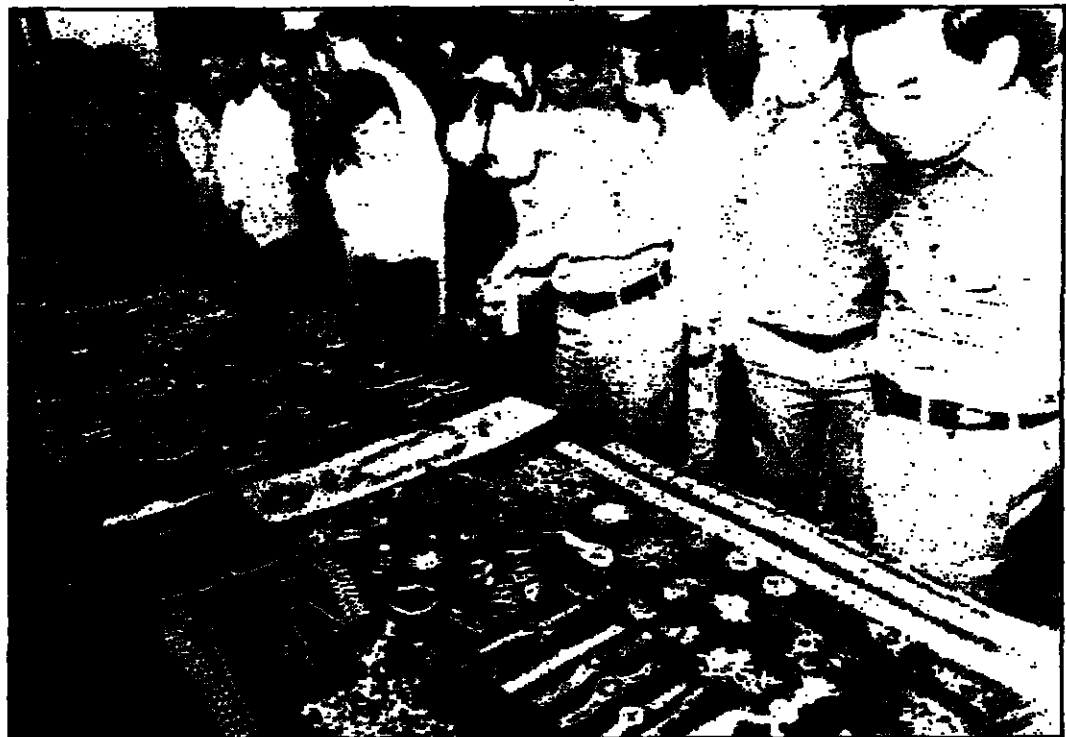
Karan Singh forced to quit

NEW DELHI, Jan 13. (Kuna): India's Ambassador to the United States Karan Singh has resigned, six months after he took up the assignment.

In a letter to Prime Minister V.P. Singh, Dr Karan Singh said he was quitting the post on advice of External Affairs Minister I.K. Gujral whom he had met on Jan 11.

Singh, who has been in the capital since last Dec 27 said in his letter that he had asked for a meeting with the prime minister before leaving Washington but it had not been possible so far.

He said he wanted to discuss with the prime minister the rapidly deteriorating situation in Jammu and Kashmir besides his diplomatic office.



\$20 million loot

A Thai man has confessed to stealing 500 million baht (\$20 million) worth of jewellery while working for a Saudi prince in Riyadh, police said yesterday.

They said Kriangkrai Teekhamong, 32, admitted stealing watches, necklaces, brooches and bracelets while working as a cleaner for a prince he named as Faisal Bin Abdullah.

Kriangkrai told police he worked for about six years in Saudi Arabia. He stole jewellery from an open safe in a bedroom on seven occasions and shipped it back to Thailand.

Police said about 80 per cent of the loot was recovered after Kriangkrai was arrested at a hotel in northern Thailand on Wednesday. Most of it was buried at Kriangkrai's home but he said he had sold about five million baht (\$200,000) worth of jewels.

Thailand has no extradition treaty with Saudi Arabia and Kriangkrai is expected to stand trial locally. He faces a maximum of 10 years in jail for theft.

Picture shows Thai policemen examine part of the jewellery in Bangkok. (Reuters wirephoto)

Quran in comics Row may erupt

PARIS, Jan 13. (AP): A colourful, easy-to-read version of the Holy Quran in comic book form has won approval from some Islamic authorities, but one scholar has condemned it, calling the author "a new Salman Rushdie."

"Si Le Coran m'était Conté" (if the Quran were told to me), published by Aelf and costing 57 francs (\$10), is geared to readers aged 12 to 16, says its author, Youssef Seddik.

The comic books have been approved—and even encouraged—by some religious authorities like Ayatollah Mehdi Rouhani, spiritual leader of the Shiite Muslim community in Europe.

"I don't see any problem with the comic books, as long as you know there is a precedent—an illustrated version of the Quran published in Iran 15 years ago," Rouhani said in an interview at his Paris home.

Citing the evolution of language and writing over the centuries, Rouhani called comic books "the language of the 20th century."

"I'm all for comic books, and would encourage them if they do, in fact, get across the idea of God to young people," he said.

But Mohammed Faiddallah, head of Islamic jurisprudence at Kuwait University's Islamic Studies Centre, was quoted as saying the comic books could spark a furor like the outcry over Salman Rushdie's The Satanic Verses.

"Iran's late Ayatollah Khomeini sentenced Rushdie to death in February 1989 for allegedly blaspheming Islam in his novel. Rushdie, an Indian-born British citizen, has been in hiding ever since."

Faiddallah said the comic books constituted a "criminal act that ridicules the sanctity of the Holy Quran," and called for their condemnation, a Kuwait newspaper reported.

He was quoted as calling Seddik "a new Salman Rushdie recruited to carry out his ugly task." Faiddallah urged Arab and Islamic embassies in Paris "to pressure official bodies there with a view to halting such violation of Islamic values," the daily said.

Seddik, 46, a Tunisian-born journalist and academic who has written extensively on Arab culture, said yesterday evening he was "deeply saddened" by Faiddallah's reaction and disputed the scholar's right to judge the issue.

"Islam is my emotional and spiritual roots. Nothing, no one can ever take it away from me," Seddik said in a telephone interview.

"I'm deeply attached to the principle that distinguishes Islam from Judaism and Christianity: That it does not accept the idea of the clergy. Only the knowledge, competence and good intentions of the humblest Muslim can judge our actions."

In an earlier interview, Seddik told the Associated Press he was motivated to adapt the Quran because of the frustration he suffered while studying the holy text as a child.

"I remember feeling very sad that we had to learn the text by heart, without any comprehension or understanding of what it meant," he said.

Teresa is safe

CALCUTTA, Jan 13. (UPI): Nobel peace prize laureate Mother Teresa escaped unhurt today when her ambulance developed a mechanical problem and went out of control, killing two pedestrians and injuring two traffic officers, police said.

The accident occurred near the headquarters of the Missionaries of Charity.

Police said the driver of the ambulance in which the 79-year-old nun was travelling lost control of the vehicle and ran across a pedestrian crossing.

DAY BY DAY

MANY Arabs have become citizens in the Arab Gulf and in the process amassed huge fortunes.

Strangely, they live in this region as if they do not belong to it though they hold nationalities of these countries. They act as if their stay is temporary as their funds are invested abroad and repatriated to their countries of origin.

These very people hold functions and public relation parties from which they take huge amounts of funds, but conveniently forget their duties towards their adopted countries that allowed them to make their fortunes and political influence. They do not contribute in any way to their new countries.

This represents an act of total ungratefulness to their nations.

Zahed Matar

Chakmas kill 11 in ambush

DHAKA, Jan 13. (AP): Buddhist Chakma rebels ambushed and killed 11 members of the paramilitary border security guards today in Chittagong Hill tracts, a news agency reported.

The independent United News of Bangladesh said that the paramilitary patrol was ambushed at Noapara, 98 kilometres (61 miles) south of the area's major town of Rangamati. The victims died on the spot after they were shot from a hill top.

The Chakma bush war began in 1976. According to various accounts, at least 4,000 people, mostly Muslim settlers, have died in the campaign.



A member of the Philippines Special Weapons and Tactics (SWAT) unit fires a 57 mm recoilless rifle during shooting practice in a military camp in Manila. (Reuters wirephoto)

Cory expects US to fulfil bases commitment

MANILA, Jan 13. (AP): President Corazon Aquino said today that her country will urge the United States to fulfil commitments under a military bases pact that expires in 1991 when talks begin on extending the leases.

"Certainly, we expect (the Americans) to fulfil their commitment," said Aquino. "I mean that was part of the agreement."

Aquino was referring to an accord reached in 1988 that commits Washington to give Manila \$962 million for the remaining two years of a 1947 military bases agreement, which expires in 1991.

In exchange, the United States is allowed to maintain Clark Air Base, Subic Bay naval station and four smaller military installations in the Philippines.

A lease extension requires a new treaty to be approved by the 23-member Philippine Senate.

On Thursday, a senior foreign department official accused Washington of renegeing on some of the promises and said a list of the violations would be delivered to the US embassy within a few days.

The official, who spoke on condition of anonymity, said the Philippine Ambassador to the United States, Emmanuel Pelaez, would deliver a similar list to US Secretary of State James Baker III.

He said the unfulfilled provisions include a US pledge to convert \$29.5 million of accumulated foreign military sales credits into grants; to provide \$8 million over two years to help Philippine troops in improving base security; and to supply \$10 million over two years to relocate squatters living near the

bases. "We assumed good faith," the foreign official said. "We don't want to quarrel with the Americans. We just want to get the money."

Aquino said Philippine negotiators will meet next week to prepare Manila's position in new talks on extending Washington's use of the bases. She said the alleged US violations of the 1988 accord would be discussed when the two sides meet either in March or April.

The Philippine President has refused to say publicly whether she supports the United States' use of the bases beyond 1991.

On Tuesday, Foreign Secretary Raul Manglapus said US budget cuts might reduce Washington's rental payments for the bases.

NEWS IN BRIEF

Japanese gift

Japanese Prime Minister Toshiki Kaifu (left) presenting Pope John Paul II a vase at the end of a private audience at the Vatican. (Reuter wirephoto)

The UK Action Committee on Islamic Affairs said in a letter to Viking Penguin that if it continued to publish and distribute the book it would have "no options but to intensify the campaign." (Reuter)

Morning Star to cut staff: The Morning Star, Britain's only communist daily, is to cut staff and shed pages after the Soviet Union halved orders for the paper, it was reported in London Saturday.

Up to 25 jobs would be sacrificed until new technology was installed and the 60-year-old paper would be reduced from 12 to eight pages, staff were told. Management decided on the cost-saving plan after daily orders from the Soviet Union fell to 6,000, leaving a circulation of only 20,000. (Kuna)

Retrieved

They also planned to answer questions about Friday's rescue of the Long Duration Exposure Facility (LDEF), and other aspects of the flight in a news conference held from their distant orbit.

The space travellers and ground controllers remained on an emotional high yesterday after the retrieval of the satellite.

"We enjoy doing it and are ... happy," commander Dan Brandenstein

White ex-cop tells of abuses

Ordered to kill activists

Plot to kill Bog

"The members would jump into the vehicle, the vehicle would go to another road and the same process would be repeated," he said.

Plot to kill Bogota drug lords

"It was an anti-communist crusade," Tangney was quoted as saying. "We said we would like to go to war against communists."

The Soviet-backed Afghan government has not responded to the charge.



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Killer groups hit opposition

Bandaranaike angry

Govt to help victims

Bhopal accord too little: Delhi

Govt to help victims

Kurwait Medical

Of Feb 15, the Supreme Court accepted the \$470-million settlement from Union Carbide as "final."

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ANNOUNCEMENT

the 1990s, the number of people in the United States who are 65 years of age or older is projected to increase from 20 million to 35 million, and the number of people 75 years of age or older is projected to increase from 10 million to 15 million (U.S. Census Bureau, 1997). The number of people 85 years of age or older is projected to increase from 2 million to 4 million (U.S. Census Bureau, 1997). The number of people 90 years of age or older is projected to increase from 500,000 to 1 million (U.S. Census Bureau, 1997). The number of people 95 years of age or older is projected to increase from 100,000 to 200,000 (U.S. Census Bureau, 1997). The number of people 100 years of age or older is projected to increase from 10,000 to 20,000 (U.S. Census Bureau, 1997).

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1989 RESULTS

RETURN ON PAID-IN CAPITAL : 51%

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Telephone 555555
Telex 9644 INVESTCORP BH Fax 510000

MESSAGE TO SHAREHOLDERS

INVESTCORP's net income for the twelve months ended December 31, 1989 was \$51.8 million, an increase of 12.1% over 1988 and 80% over 1987. Return on Average Shareholders' Funds in 1989 was 29.2%. Return on Paid-In Share Capital was 51.8% and Return on Average Assets was 6.7%.

This was our seventh successive fiscal year of growth in earnings, during which we also produced superior investment returns for our managed funds and for our investors.

These results reflect our commitment to the following business principles and strategies:

- INVESTCORP has always taken a conservative approach to acquisition pricing and leverage. When we undertake an acquisition we generally contribute a much greater level of shareholder funds than our competitors, in order to accommodate both growth and changing market and economic conditions. For example, during 1989 in acquiring Color Tile, Inc., the largest U.S. retailer of floor coverings, and Sports & Recreation Inc., the specialty U.S. sports retailer, we substantially increased the companies' shareholder funding.

- To exploit opportunities for synergistic value and consolidation within the industries in which we are invested. During 1989 we acquired the Carvel Corporation, the third largest ice cream retailing operation in the U.S. Carvel is expected to have a significant beneficial relationship with Dellwood Foods, the major New York dairy company we acquired in 1985.

- To extend our penetration of the European corporate acquisition market while maintaining a strong presence in North America. This strategy included the acquisition of a significant minority interest in Computacenter, a growing U.K. based computer services company which is among the largest systems integrators in Europe.

- To focus on prime urban real estate development projects and asset situations and, as a result, acquired a former hotel property on East 86th Street in New York in order to develop the property into 55 luxury condominium apartments.

- To increase our access to secure and flexible acquisition funding, principally through the development of INVESTCORP's managed funds, enabling us to finance substantially larger transactions. We launched a series of funds during 1989, with initial subscriptions totalling several hundred million dollars. These funds offer a diversity of investment opportunities through access to all our investments and investment products. In addition, these funds supplement other sources of capital, such as our private placement capability, the capital and liquid assets on our balance sheet and our large borrowing capacity.

- To expand our trading activities in the major money, currency and bond markets favoring a strategic, rather than volume approach, and taking particular advantage of market anomalies. Our securities and foreign exchange trading business will diversify our revenue sources and broaden the range of services we offer clients.

- To take advantage of the strong market for divestitures which continued into early 1989, by selling the U.S. department store chain, Peebles. The return on this investment was considerably higher than originally projected.

We are now a well established investment bank within both North America and Europe and have access to large and flexible pools of funding. These developments will provide our investors with a broad range of investment opportunities, including access to some of the world's most prestigious corporate and real estate properties.

As always, we are grateful for the support of our shareholders and investors whose continuing confidence in us is our foremost objective.

ABDUL RAHMAN SALIM AL-ATEEQI
Chairman of the Board of Directors

NEMIR A. KIRDAR
President and Chief Executive Officer

CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS For the Year Ended December 31, 1989

STATEMENT OF INCOME	1989 US \$ 000	1988 US \$ 000
Interest income	73,117	50,124
Interest expense	(58,283)	(36,318)
Net interest income	14,834	13,806
Net other income	59,477	53,967
Operating income	74,311	67,773
Less: Operating expenses	(25,981)	(23,335)
	51,330	44,438
Share of profits in associated companies	452	1,734
NET INCOME FOR THE YEAR	51,782	46,172
STATEMENT OF RETAINED EARNINGS		
Balance at beginning of the year	31,582	12,060
Net income for the year	51,782	46,172
	83,364	58,232
Transfer to statutory reserve	5,178	4,617
Transfer to general reserve	5,178	4,617
Proposed dividend	15,000	15,000
Directors' remuneration	1,493	1,493
Charitable contributions	1,035	923
	27,884	26,650
Balance at end of the year	55,480	31,582

AUDITORS' REPORT TO THE SHAREHOLDERS

The above statements of Income, Retained Earnings and Balance Sheet are extracts from the unaudited Financial Statements of Arabian Investment Banking Corporation (INVESTCORP) E.C.

January 1990

Emrit Whining

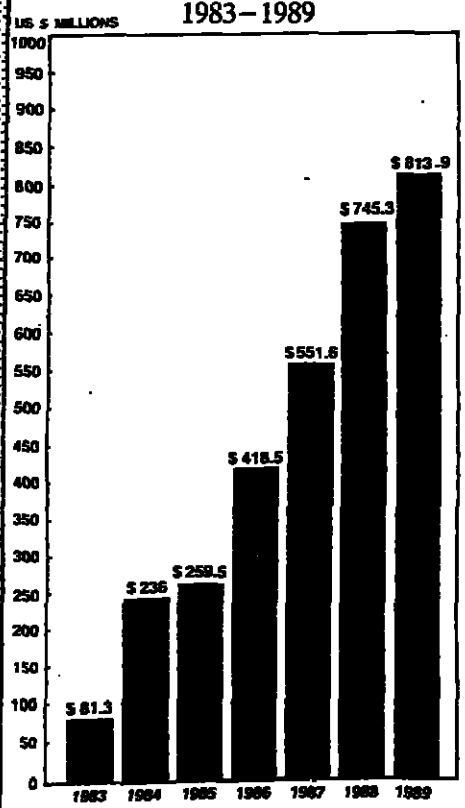
CONSOLIDATED BALANCE SHEET As at December 31, 1989

ASSETS	1989 US \$ 000	1988 US \$ 000
Cash and short term funds	1,701	31,484
Deposits with banks	353,995	358,116
Marketable securities	46,377	14,463
Accounts receivable	49,333	51,669
Investment trading account	179,711	123,698
Accrued interest and other assets	12,621	16,058
Investments	140,253	102,973
Investment in associated companies	3,328	13,814
Fixed assets	32,619	32,979
Total assets	813,938	745,254
LIABILITIES		
Deposits from banks	225,489	161,286
Other deposits	89,391	235,714
Proposed dividend	15,000	15,000
Accrued interest and other payables	69,461	47,911
Euronotes issued	229,000	125,000
Total liabilities	619,341	584,911
SHAREHOLDERS' FUNDS		
Share capital	100,000	100,000
Share premium reserve	4,079	4,079
Statutory reserve	17,519	12,341
General reserve	17,519	12,341
Retained earnings	55,480	31,582
Total shareholders' funds	194,597	160,343
Total liabilities and shareholders' funds	813,938	745,254

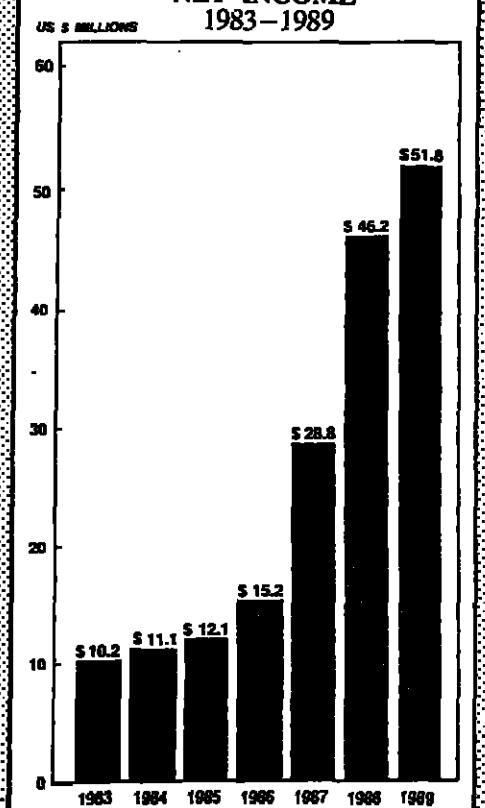
ABDUL RAHMAN SALIM AL-ATEEQI
Chairman of the Board of Directors

NEMIR A. KIRDAR
President and Chief Executive Officer

TOTAL ASSETS 1983-1989



NET INCOME 1983-1989



FINANCIAL HIGHLIGHTS (US \$ thousands)

FISCAL YEAR	1989	1988	1987	1986	1985	1984	1983
NET INCOME	\$ 51,782	\$ 46,172	\$ 28,803	\$ 15,165	\$ 12,052	\$ 11,055	\$ 10,156
TOTAL ASSETS	\$ 813,938	\$ 745,254	\$ 551,614	\$ 418,497	\$ 259,514	\$ 236,027	\$ 81,335
TOTAL SHAREHOLDERS' FUNDS	\$ 194,597	\$ 160,343	\$ 131,587	\$ 65,724	\$ 58,992	\$ 55,311	\$ 52,201
RETURN ON AVERAGE EQUITY	29.2%	31.6%	22.9%	24.3%	21.1%	20.5%	19.9%
RETURN ON PAID-IN CAPITAL	51.8%	46.2%	38.8%	30.3%	24.1%	22.1%	20.3%
RETURN ON AVERAGE ASSETS	6.7%	7.1%	5.9%	4.5%	4.9%	7.0%	12.4%
RETURN ON EXPENSES	199.3%	197.9%	153.9%	124.7%	117.1%	127.6%	229.5%
RETURN PER EMPLOYEE	\$ 342.9	\$ 349.8	\$ 242.0	\$ 161.0	\$ 160.7	\$ 167.0	\$ 170.0
FINANCIAL LEVERAGE	3.2:1	3.6:1	3.2:1	5.4:1	3.4:1	3.3:1	0.6:1
BOOK VALUE PER SHARE	\$ 0.48	\$ 0.40	\$ 0.33	\$ 0.33	\$ 0.29	\$ 0.27	\$ 0.26

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Draft calls for stepped-up drug battle

Colombian military accused of indiscriminate bombings, killing 4 civilians

SANTA CRUZ, Bolivia, Jan 13. (AP) — US delegates met behind closed doors with their counterparts from three cocaine-producing countries yesterday to draft a tough anti-narcotics resolution for a February summit.

In Bogotá, a human rights official yesterday accused the Colombian military of intentionally killing four civilians and of indiscriminate bombing with jets in a northern Colombian zone where battles are raging with leftist guerrillas.

Representatives from Bolivia, Peru and Colombia presented the Americans, who arrived Thursday night in semitropical city of Santa Cruz

in the midsection of South America, with a draft document that calls for more US aid as well as a stepped-up battle against trafficking, conference sources said.

Work on a final text was expected to be completed today, according to delegates.

The resolution was to remain confidential until it is formally signed at the Feb 15 one-day summit in Cartagena, Colombia, by Presidents George Bush of the United States, Virgilio Barco of Colombia and Jaime Paz Zamora of Bolivia.

Peruvian President Alan Garcia said he will attend only if US occupying

troops are withdrawn from Panama.

But the chief of the Peruvian delegation in Santa Cruz, Foreign Ministry Subsecretary Armando Lecaro, played down Garcia's ultimatum. He said his country would send a high-level delegation to the summit in any case and planned to fully participate.

The pre-summit meeting was being held under strict security at a hotel in this cocaine-trafficking city 350 miles from La Paz, the capital of landlocked Bolivia.

Michael Skol, the US State Department's assistant under-secretary for inter-American affairs, headed the US delegation. He declined any comment

to reporters and the US ambassador to Bolivia, Robert Gelbard, said only that he was optimistic about the outcome of the conference.

The three South American countries' representatives have been gathered since Wednesday making changes in an original resolution drawn up by the United States.

The original document recognised the need for more US aid, but tied it to each country's performance in battling trafficking, according to a copy obtained by the Associated Press.

The document also stressed the need for a militarisation of the war on drugs, saying each country must commit

armed forces to the anti-narcotics campaign.

Some cocaine-producing countries have been reluctant to involve their military in the battle against traffickers, fearing the corruption of top officers. In Bolivia, army leaders seized power in 1986 with the backing of wealthy cocaine dealers and ruled for a year.

According to US and Bolivian delegates, speaking on condition they not be identified, the three South American countries made several major changes in the US proposal, weakening the link between economic aid and performance and watering down references to militarisation.

Informed of the changes, US officials in Washington made an urgent appeal through the Bolivian Embassy, for the South Americans to restore the bulk of the original document, and this was done late Thursday, according to the delegates.

In a telephone interview, Jorge Gomez, the president of the human rights committee in the city of Barran-cabermeja, Colombia, said that the private organisation had received "testimony from witnesses and other proof" that a naval patrol had opened fire Wednesday without provocation on a small boat carrying peasants on the Magdalena River.



Cheney, saving

Cheney imposes hiring freeze

WASHINGTON, Jan 13. (Reuters) — US Defence Secretary Dick Cheney yesterday ordered a world-wide Pentagon hiring freeze on civilians as part of a plan to save \$39 billion over the next five years.

The hiring freeze, to run to October, will also apply to part-time and temporary employees. The Pentagon employs 927,000 civilians world-wide full time and another 123,000 on a temporary or part-time basis.

Defence officials said they did not know how much the workforce would be reduced by the budget-cutting measure but as many as 80,000 civilians normally retire or otherwise leave the workforce each year.

Cheney, who is under pressure from congress to cut the \$300 billion dollar US defence bill because of domestic budget problems and a reduced Soviet military threat, ordered Pentagon officials to prepare a plan by April 11 for long-term reductions in the world-wide civilian workforce.

Cheney on Thursday promised to cut 18,000 civilian and 24,000 military personnel from the military's arms procurement programmes over the next five years.

"As the armed forces are reduced over the long term in light of limited budgets, a changing world situation and future negotiated agreements, the department must make corresponding reductions in the size of the civilian workforce that supports the armed forces," Cheney said.

But Cheney said civilians must be hired to fill essential medical, safety or security requirements in the Pentagon's world-wide civilian workforce.

US to dump missiles to cut cost

WASHINGTON, Jan 13. (UPI) — The US Air Force, in a cost-cutting move, has proposed to scrap the entire US force of 450 Minuteman II intercontinental ballistic missiles in its fiscal 1991 budget, the Washington Post reported today.

Internal air force documents estimated that the proposed action, which would eliminate about 3.6 per cent of the US arsenal of strategic warheads, will save \$400 million a year in operating costs, the Post said.

The move comes as the US Defence Department is under pressure to trim costs because of public perceptions of a declining Soviet military threat.

Unnamed Bush administration officials told the Post that action has been approved by US Defence Secretary Dick Cheney and that the White House has authorised Cheney to discuss the idea with key leaders of Congress before making a final decision.

The newspaper said the proposed cut of the Minuteman II force depends in part on budget negotiations between the Pentagon and other agencies. Officials said it still could be withdrawn before US President George Bush makes his final budget submission to Congress Jan 29.

The Minuteman II force of 450 missiles, 440 of which carry single nuclear weapons, is one of the oldest US strategic weapons systems, having been deployed beginning in 1966 at three bases in Montana, South Dakota and Missouri.

It carries the only nuclear warheads in the strategic missile arsenal with a megaton-sized explosive force, equivalent to more than 1 million tons of TNT. By comparison, the nuclear bomb dropped on Hiroshima in World War II had a force equivalent to roughly 15,000 tons of TNT.

Enquiry points to army role in killings

WASHINGTON, Jan 13. (UPI) — The killing of six Jesuit priests in El Salvador was a carefully planned operation and points to the involvement of the military, two members of Congress said yesterday.

And unless the government of Salvadoran President Alfredo Cristiani brings all those involved to justice, US military aid to El Salvador is in serious danger, Senator John Warner, Republican of Virginia, told reporters.

Representative Joe Moakley, democrat of Massachusetts, said the international investigation into the killing of the priests, their cook and her 15-year-old daughter has made substantial progress.

"The nature and circumstances of the crime are such that the involvement of high level military officials, either in ordering the murders or in having prior knowledge of them, is likely," Moakley said in a prepared statement. "I worry that the possibility of a cover-up remains."

Warner, a former secretary of the navy and generally a supporter of US policy in El Salvador, reviewed the investigation during a visit to Jose Simeon Canas University, the scene of the killings that occurred in November during the height of a rebel military offensive in San Salvador. Priests in El Salvador are often viewed by the military as supporting the leftist rebels.

In another development, a prominent Salvadoran leftist politician was found dead in Guatemala after being kidnapped Friday, his party said Saturday.

The bodies of Hector Oqueli Colindres, 45, deputy secretary-general of the National Revolutionary Movement (MNR), and Gilda Flores, a Guatemalan who was driving him to the country's international airport, were both found, the party said.

"Oqueli was found in Jalapa, Guatemala, and was identified. Oqueli had been shot in the head," a party spokesman said on condition of not being identified. Jalapa, about 100 miles (160 kilometres) east of Guatemala, is near the border with El Salvador.

Party leaders in El Salvador had no additional details and officials in Guatemala did not immediately confirm the death.

Oqueli and Flores were abducted by armed men early Friday morning, the party said in a statement.

The leader of the National Revolutionary Movement, Guillermo Ungo, was the presidential candidate of a leftist coalition in El Salvador's election last March. Ungo could not be reached for comment.

Oqueli was going to fly to Nicaragua, where he was to take part in an evaluation of the Nicaraguan electoral process, said Mario Solorzano Martinez, secretary-general of the Guatemalan Social Democrat Party.

Solorzano said Oqueli arrived Jan. 11 in Guatemala.

A government commission said yesterday that anti-government Contra rebels were responsible for the Jan. 11 attack on Roman Catholic church workers in remote northeastern Nicaragua, killing two nuns.

The nuns, Maureen Courtney, 42, of the United States, and Teresa Rosales of Nicaragua, were killed when the pickup truck in which they were riding was ambushed.

Bishop Pablo Schmitz, 46, of the United States, survived the attack. Schmitz said the group was attacked with a grenade and gunfire.

Schmitz, who is the auxiliary Bishop of Bluefields, Nicaragua's largest Caribbean port, was quoted as saying he did not know who ambushed the truck in Zelaya province.

US puts off plans to move Noriega

Trial may begin in 7-8 months

MIAMI, Jan 13. (Reuters) — Prosecutors agreed yesterday during a closed-door court hearing to hold off on plans to move deposed Panamanian strongman Manuel Antonio Noriega from his courthouse jail cell, a US police official said.

The official, who spoke on condition of anonymity, said Noriega is not expected to be transferred "anytime in the immediate future" after his lawyers objected to the government's bid to move him.

The plan had called for Noriega to be taken almost immediately to a more secure location. Government officials, concerned his life could be threatened by Colombian cocaine smugglers who believe he may inform on them, contend the courthouse cell is not secure enough.

Noriega's lawyers have consistently said they would strongly oppose any effort to move him, claiming

they want him nearby so they can help him prepare his defence against a 1988 drug indictment. In his first public statement on the matter, US district judge William Hoeweler told reporters Noriega's trial could begin as late as seven or eight months.

Noriega, once Panama's "maximum leader," has been held in a cramped underground cell called the "submarine" since his arrival in Miami last Thursday after surrendering to US troops in Panama. His capture was one of the main objectives of the US invasion launched on Dec 20.

US authorities may eventually renew their effort to move Noriega and reserve the right to transfer him if his security is threatened.

Noriega is awaiting trial on a 1988 indictment that charges him with shielding major Colombian cocaine traffickers, helping them ship drugs to the United States and pocketing \$4.6 million in bribes.

A federal magistrate set a \$1-million bond for a co-defendant of Noriega yesterday.

US Magistrate Peter Palermo set the \$1-million bail for Daniel Miranda, who is charged with flying from Florida to Panama with \$300,000 in laundered drug money. But prosecutors appealed the bail, meaning that Miranda, 36, could not immediately be released.

Miranda's attorney, Michael O'Kane, was late to court because he was attacked near his home by a masked man with a crowbar. Police arrested a suspect, but would give no details.

"I can't think of anybody who would do this," O'Kane said. O'Kane said his attacker offered to tell who sent him only if assault charges were dropped, but the attorney said he did not plan to drop the charges.

O'Kane's head was bandaged but still bleeding when he arrived in court. His report of the attack prompted federal marshals to increase security for Palermo.

A Justice Department security team sent from Washington to protect classified information in the Noriega trial has told defence attorneys they may have to pass security clearances before gaining access to the documents they need.

Meanwhile, the arrival of Noriega in Miami to face the drug indictment has fueled speculation that co-defendants may pursue plea bargains to avoid sitting through a bombardment of allegations aimed largely at Noriega.

One of the officers who allegedly shot to death the leader of an abortive coup against Noriega is hiding out in the residence of the Peruvian Ambassador, Attorney General Rogelio Cruz said yesterday.



Workers seen demolishing Noriega's former headquarters. (Reuters wirephoto)

Bush touts Strong military

CINCINNATI, Jan 13. (AP) — President George Bush, described as "pretty broken up" by a meeting with the family of a soldier slain in Panama, is using the invasion to argue that the United States must keep a high state of military readiness.

"This is not a time when we should naively cut the muscle out of our defence posture," Bush said yesterday in a speech aimed at Congress, which reconvenes Jan 23 after its winter recess.

Bush cautioned that despite a relaxation of military tensions in Eastern Europe, lawmakers should not expect a "peace dividend" in which defence savings could be funnelled into domestic programmes.

"Unfortunately, what is being peddled as a 'dividend' is not money in the bank. It is more like a possible future inheritance," Bush said in his speech to the Cincinnati Chamber of Commerce.

"Whenever a potential inheritance looms, there are those eager to rush out and squander it — to buy new things, to spend, spend, spend — spending funds they don't yet have," he said.

Bush went to Camp David after the Ohio trip and planned to spend a three-day weekend at the presidential retreat in Maryland.

He told the business audience the Dec 20 US invasion of Panama was a "beautifully co-ordinated" operation. If a rationale for keeping a strong defence is "ever needed, we saw it last month in the courage of our troops in Panama," he said.

But later, Bush was brought close to tears in a meeting with the Cincinnati parents of a army PFC, James Markwell, a medic killed in the invasion, aides said.

Markwell, who had been in the army 18 months, died of gunfire after his arrival by parachute in a "drop zone" on the day of the US invasion.

Vice-President Dan Quayle worked yesterday to firm up an itinerary for his fence-mending trip to Latin America, but many diplomats from the region remained unconvinced that his personal touch would solve their governments' ire over the US invasion of Panama.

Some, speaking on condition of anonymity, said President Bush would accomplish more by withdrawing invasion troops from Panama than by dispatching his vice-president on a friendship tour.

America

King remembered: The voice of Martin Luther King rang out once more at the Lincoln Memorial on Friday as government officials and school children joined in a birthday observance highlighted by a recording of the slain civil rights leader's "I have a dream" speech.

"As we stand here again in the place where he stood, we can feel his presence," James M. Ridenour, director of the National Park Service, told a crowd of several hundred assembled in chilly, windy weather at the memorial.

Elli Barry, wife of District of Columbia Mayor Marion Barry, blinked back tears as the recording came to the climax of King's speech, ending with the words, "Free at last, free at last, thank God almighty, we are free at last."

Prosecutors seek documents: Iran-Contra prosecutors have expressed an interest in documents seized from the headquarters of fallen Panamanian leader Manuel Antonio Noriega, the US Justice Department said Friday.

The office of independent counsel Lawrence E. Walsh inquired Thursday about the documents that were found in Noriega's headquarters following last month's invasion, said Justice Department spokesman David Runkel.

Runkel said Attorney General Dick Thornburgh had directed the Justice Department's criminal division to co-operate with Walsh's requests for access to the documents.

Watkins agrees to study: The US Energy Department on Friday promised to conduct major environmental studies, with public participation, of plans to rebuild and clean up the nation's nuclear weapons complex.

The announcement by Energy Secretary James D. Watkins came nearly seven months after a group of 22 environmental and arms control organisations filed suit in US district court in Washington seeking to force the department to conduct the studies.

"The significance of it is that it would be the first comprehensive and public analysis of the whole weapons programme," said Dan Reicher, an attorney for the Natural Resources Defence Council, one of the environmental groups. "It could very well shift the direction of the programme away from modernisation and toward cleanup."

Navy refuses to halt tests: The US Navy has refused to halt Tomahawk cruise missile flights over Maine in spite of a statewide non-binding referendum calling for a ban on the tests.

Navy Secretary R. Lawrence Garrett III said in a letter to Maine's congressional delegation that three test flights are planned this year despite last November's election.

"Cruise missile test flights over Maine, at least for the foreseeable future, are absolutely vital to maintaining the readiness and effectiveness of this important weapons system," Garrett wrote.

Gang killings break records: At least 570 people were killed in youth gang-related violence in Los Angeles county during 1989, shattering the bloody record of the year before, authorities said Thursday.

Gang warfare, along with homicide in general, also set new records in the city of Los Angeles, police said. The dramatic upswing was partly attributed to intensified turf wars between the gangs that deal in drugs and intimidation.

Sgt. Wes McBride, a gang specialist with the county sheriff's department who keeps tabs on all law enforcement agencies within the county, estimated that countywide gang-related violence claimed at least 570 lives. Five other deaths still being analysed could eventually be counted as gang slayings.

Build collider as planned: A panel of prominent physicists recommended Friday that the Energy Department build the "super collider" particle accelerator to original specifications even though the \$5.9-billion price tag could rise 20 per cent to 30 per cent.

In a unanimous decision, the Energy Department's high energy physics advisory panel, which includes five Nobel prize winners, agreed with a subcommittee's findings that reducing the size or power of the collider to contain costs significantly would "unacceptably increase the risk of missing important new physics."

Civil rights at the FBI: The Federal Bureau of Investigation, accused for years of widespread discrimination against its women and minority employees, quietly negotiated three out-of-court settlements with black workers who filed bias suits, the Justice Department said Friday.

The negotiations were handled by the FBI. Attorney General Dick Thornburgh was notified but was not involved in the deals, Thornburgh's spokesman told reporters.

Although three cases were settled, the FBI has not made a deal in a fourth major lawsuit — by Donald Rochon, a black FBI agent in Chicago.

Police testifies: The police dispatcher hailed as a hero when the Charles Stuart case broke testified Friday before a grand jury looking into evidence implicating Stuart in his pregnant wife's shooting death.

Charles Stuart had claimed a black man robbed and killed his pregnant wife. But he committed suicide after becoming the prime suspect in a crime that stirred racial tensions and grabbed national headlines.

Gary McLaughlin refused to discuss what he said or even how long his appearance lasted. He did say that since Charles Stuart's suicide last week, he had reviewed the transcript of the Oct 23 call.

US donates contraceptives: The opposition of many Third World leaders to birth control largely has been overcome and the United States is now the largest donor of contraceptives to developing countries, officials say.

In over two decades, the US government has given nearly 7 billion condoms to Third World countries, its agency for international development reported.

The agency said that about three-quarters of all the contraceptives donated to Third World countries come from the United States.

Latin America

Police chief denies: Brazil's federal police chief has denied he disobeyed a government order by offering gold miners tracts of Amazon rain forest in exchange for prospective promises to move off a reservation of the Yanomami Indians.

The agreement, announced Tuesday and criticised by environmental groups, abruptly ended a tense campaign to expel some 40,000 clandestine prospectors from the mineral-rich Indian land in northwestern Brazil.

Critics accused the government of saving in to the interests of local politicians and the gold miners, who offered no guarantee they would stay off the reservation.

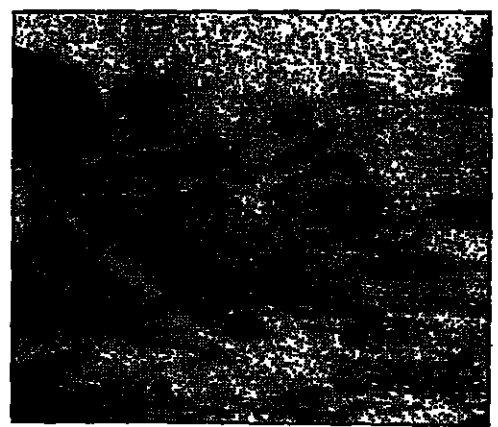
Search focuses on mountain: The search for a missing airplane carrying two US government officials and three Chileans centred Friday on a remote mountain in northern Chile after a mule herder reported seeing what looked like "a crashed aircraft," police said.

But the search was suspended Friday evening after a rescue plane flew over El Toro mountain, 586 miles (943 kilometres) northeast of Santiago, and found nothing, police said. They said they had dismissed the mule herder's report.

The air force said the search would resume Saturday and continue for at least 10 days. The mountain is 50 miles (80 kilometres) east of Copiapo, a city bordering the Atacama desert 300 miles (500 kilometres) north of Santiago. The desert is one of the driest areas in the world.

Rebels kill 2 officials: Shining Path guerrillas killed two local officials and five peasants in separate incidents in the Andean highlands, police said Friday.

According to the report, six guerrillas broke into the home of the police chief of Chila, 140 miles (225 kilometres) east of Lima, Thursday night and shot him to death.



Jet in ruins

A US Marine Corps attack jet crashed at a busy intersection northwest of Philadelphia on Friday, injuring the pilot but apparently causing no other injuries, military officials said.

A spokesman from the Willow Grove naval air base, 15 miles (25 km) from Philadelphia, said the pilot of the A-4 Skyhawk jet was treated on the scene by paramedics and then taken to hospital, where he was in stable condition.

An initial search of the area revealed no civilian injuries, she said.

Debris from the crash tore off part of the roof of a vehicle leasing store and struck several cars, police and witnesses said. Debris was scattered across a busy highway in the heavily populated section of suburban Philadelphia. (Picture shows the wreckage of the jet. (Reuters wirephoto)

Coma patient rekindles Dutch right-to-die debate

HAASBERGEN, Netherlands, Jan 13. (AP) — A Dutch husband's 15-year battle to end the life of his comatose wife has rekindled the right-to-die debate in this nation, where voluntary euthanasia is commonly accepted.

After given permission by a court, doctors at Het Wiedenbroek Nursing Home on Monday removed the feeding tube of 47-year-old Ineke Stinissen, who has been in a deep and apparently irreversible coma since March 30, 1974, when she failed to regain consciousness after the Caesarean birth of her first child.

Mrs Stinissen, who can breathe unassisted, is expected by her doctors to die of starvation in a

process that can take weeks.

The case has outraged from anti-euthanasia groups, and a threat from Mrs Stinissen's husband in published interviews to shoot his wife if she is not allowed to die.

"I said those things to show how serious I was," Stinissen, 37, told the Associated Press. "It's certain that I would have used some method or other...."

"The only way out in her situation is death. The road to being a person again has always been barred for her," Stinissen said.

A key legal and ethical question in the Stinissen case is whether such a euthanasia decision can be made on behalf of a comatose patient, since Dutch

euthanasia policy and practice is predicted on the patient's request.

Also at issue is the morality of letting Mrs Stinissen die a lingering death, instead of the quick death by lethal injection or intravenous drip used in euthanasia-on-request cases.

After the gradual acceptance of a set of ethical guidelines that have given mercy killing quasi-legal status in the past few years, the quiescent euthanasia debate has been blown wide open again by the Stinissen case.

According to published interviews with Stinissen, an assembler of camper vehicles, his wife went into a

coma because an anaesthesiologist inserted a breathing tube into her esophagus instead of her windpipe during the operation.

The hospital where she underwent the operation refuses to comment on the case.

Mrs Stinissen's vegetative state makes her case unique. She is ineligible for what is commonly known as "active" euthanasia by lethal injection or intravenous drip, since euthanasia guidelines require the explicit request of the patient for such a procedure.

The nursing home had until recently also refused to halt her feeding, citing fears it would be prosecuted for murder.

Police aware of cult actions

KIRTLAND, Ohio, Jan 13 (AP): Police in three states knew about the nomadic life in tents, the code words, camouflage clothing and cultish worship services of Jeffrey Lundgren and his followers.

But they could find no reason to arrest anyone until it was too late—nine months after a son of five had been killed, possibly as a sacrifice in a misbegotten reading of Mormon teachings.

For more than a year, agents in Missouri, Ohio and West Virginia exchanged information about the cult, authorities said, but they were hard-pressed to build a case.

In fact, Lundgren and his clan seemed like good neighbours, making improvements on the farm they rented near this north-east Ohio town, 25 miles (40 kilometres) east of Cleveland, said Kirtland police chief Dennis Yarbrough.

"The family had started adding things like siding," Yarbrough said. "They were acting and appearing like good citizens. It was kind of a paradox."

On Jan 3 and 4, acting on an anonymous tip, federal and local officials dug under a barn on the farm and found the bodies of Dennis Avery, 49; his wife, Cheryl, 42; and their three daughters, Trina, 15; Rebecca, 13; and Karen, 7.

The Lake County coroner's office said all five had been bound hand and foot with duct tape, with tape covering their mouths and eyes, and shot one at a time.

Investigators said the Averys, who lived nearby, had been members of the cult but were not as fervent as some of the other followers.

Last week, the 39-year-old Lundgren, a former lay minister of the Reorganized Church of Jesus Christ of Latter Day Saints, was arrested and charged in connection with the killings, along with his wife, teen-age son and 10 other followers in scattered cities, mostly around San Diego.

Yarbrough said yesterday there was speculation that Lundgren felt people had to die "as part of a cleansing ritual" so the cult could relocate in the wilderness.

The Rev. Dale Luffman, pastor of Kirtland's Reorganized Church has theorised the killings resulted from fights over money, sex or the possibility the Averys would leave the cult.

Lundgren came to Kirtland from the Independence, Missouri, area in 1984 to work as a tour guide at a Mormon temple used by the Reorganized Church.

The Reorganized Church, based in Independence, split in the last century from the Church of Jesus Christ of Latter Day Saints, the Mormon church, which is based in Salt Lake City. Both churches remain rooted in the Book of Mormon and in the writings of founder Joseph Smith.

Luffman said Lundgren at first seemed devoted enough in his tours and his Sunday-school teachings but later became menacing.

"He apparently felt the leaders of the church were part of the 'unrighteous around the temple and needed to be eradicated—that was the term he used," Luffman said.

Lundgren began seeing himself as a prophet, using his lay ministry and tour job as forums to recruit followers, Luffman said.

The church defrocked him in January 1988, but he was able to find a dozen or more people who listened. Some came to Kirtland, at his urging, from the Independence church he had attended. The followers quit jobs and sold their belongings cheap to make the move, bewildered friends said.

The followers moved in with Lundgren on the farm, living commune style, turning over their pay cheques from outside employment and letting him read their mail and listen in on their telephone calls, police said.

The group fit the classic description of a cult, Luffman said. "They acknowledge and take their direction and allegiance to a leader with an authorised message. Second, there takes place a separation from all other groups—friends and family," he said.

The Kansas City office of the Federal Bureau of Alcohol, Tobacco and Firearms at one point warned Kirtland authorities that Lundgren had spoken of a Sword of Laban that would be used to decapitate people while "taking over" the temple in Kirtland. There is mention of a Sword of Laban in the Book of Mormon.

Eventually, male cult members started wearing camouflage clothing and paramilitary gear.



Mahmoud Afifi, an inspector of the EAO, removes dirt from the newly discovered dwarf. (Reuters wirephoto)

Companion to the Pharaoh

Egyptian dig finds dwarf

GIZA, Egypt, Jan 13 (Reuters): Experts have uncovered the bones and statue of a dwarf named Pr-N-Ankh who was the companion of Egypt's pharaoh 4,000 years ago.

The basalt figure, brought out of a sealed vault on Thursday, is about 40 cm (12 inches) high and shows him seated on a chair, his left arm across his chest.

He holds a long stick resembling an ear. His other hand, resting on his lap, holds an instrument resembling a spatula, indicating he was a high official.

Zahi Hawass, director-general of the Giza Pyramids Area outside Cairo, the man who directed the dig, calls the statue "wonderful, unique."

Only one previous statue of a dwarf has been found in Giza, a statue named Seneb, discovered in the early 1900s. The statue was found near each other and Hawass says the diggers may now have located a burial ground of dwarfs in Giza.

Little is known about dwarfs in ancient Egypt. Hawass said some were jesters who entertained royalty. Others held official posts like Seneb the scribe.

Hieroglyphic inscriptions said Pr-N-Ankh was "a close associate of the king in the great palace."

Pr-N-Ankh's statue was found by Mahmoud Afifi, an antiquities inspector.

Afifi told Reuters he stumbled on a six metre (19 foot) tomb four months ago while removing sand from nearby burial chambers and uncovered two statues of women, now believed to be Pr-N-Ankh's wives.

High bones of a dwarf were in one of the tomb's three shafts but Pr-N-Ankh's nearby scribe or vault, with its fascinating stone figures and the inscriptions on its walls, was uncovered only last week.

"I looked through a spy hole in the serdab and saw the statue of the dwarf," Afifi said.

Archaeologists said they did not know why the dwarf official was holding an ear or what it meant, or why his serdab was outside his tomb, not inside it as was customary in the age.

"It is the first time we find a serdab in the old kingdom outside the tomb. Serdabs were always found inside tombs of employees," Hawass said.

"The only serdabs we have found outside the tombs were those of royalty. This discovery is unique."

Thatcher on BBC talk show

Still the housewife

LONDON, Jan 13 (AP): After more than a decade in power, Prime Minister Margaret Thatcher still tidies up the house, checks the groceries and does the cooking, she told television viewers yesterday.

"There are all sorts of things that just plain have to be done," said Mrs. Thatcher, 64, who lives with her husband, Denis, in the prime minister's official residence and office, 10 Downing St.

"You have to get in touch with the family and you just have to see that the end of the week everything is back in place in the house," she said. "That things are reasonably tidy, that there's food in the fridge, food in the larder, that things are pressed and all right."

Appearing on a British Broadcasting Corp. TV talk show hosted by Terry Wogan, Mrs. Thatcher responded sharply when he sounded surprised that she was, in his words, still "playing the housewife."

"My mother was both a dressmaker and very good at do-it-yourself, a very good cook and I was brought up that way. I like cooking," said Mrs. Thatcher, whose father was a grocer.

She said she was a good cook but, because of shortage of time, does "very simple things these days."

Mrs. Thatcher said her husband—regularly portrayed by satirists as the archetypal henpecked husband—quite often criticises her, and she listens.

Soviet leader Leonid Brezhnev said the Soviet Union was on the march and America was in retreat. Within five years, according to Brezhnev, the Soviets will be able to impose their will anywhere in the world.

(AP)

LOS ANGELES: Singer-songwriter Prince will be honoured during the American music awards presentations with a special Award of Achievement for his contributions to music.

A tribute to Prince will occur during the January 22 televised awards show on the Shrine auditorium. Prince, 30, is the second Award of Achievement recipient.

Michael Jackson got it last year. An inscription on Prince's trophy said the musician "through his writing and performing, his recordings and motion pictures and his discovery and support of new musical stars, has been a major influence on the look and sounds of the 1980s."

Prince is perhaps best known for his "Purple Rain" album and motion picture, as well as music for the film "Batman." (AP)

DALLAS, Texas: Japanese soprano Yoko Watanabe is starring in the Dallas opera production of "Madame Butterfly," the story of a geisha who marries an American naval officer.

The production was scheduled to begin on Friday night, January 12. It will be the first time in the

Tourists crowd US airports

WASHINGTON, Jan 13 (Kuna): US Customs officials said with the huge increase in visits from foreigners—some feared as terrorists—"some" delay problems are inevitable.

In the first nine months of 1989, 14 million foreigners visited the US, versus 10.7 million in 1988, industry figures show.

At the three largest airports—New York's Kennedy, Miami International and Los Angeles International—waits averaged about an hour.

(Experts say the maximum should be 45 minutes for immigration control, baggage claim and customs).

But a Hawaii airport, the fourth largest US "gateway," the tremendous surge in Japanese tourists has lengthened delays to between one and 2 1/2 hours, officials there said.

Although the numbers of immigration inspectors has generally kept pace with the increases, another 360 are to be hired for Hawaii alone.

As for customs inspectors, despite the 27

per cent increase in overseas visitors in the past three years, senior official Robert Bartol told the New York Times there were no plans to augment the 922 now on duty.

Instead, Bartol said new methods first introduced 18 months ago are being used to move passengers through lines more efficiently without their waiting.

He said inspectors are mingling among passengers awaiting luggage arrival and pulling suspicious ones aside for interviews and baggage inspection.

Cosmic X-rays source found

ARLINGTON, Virginia, Jan 13 (AP): The violence of early star formation in new galaxies may be a major source of cosmic X-rays, a mysterious radiation that has puzzled astronomers for decades, two Columbia University scientists say.

Astrophysicists David Helfand and Thomas Hamilton said yesterday they have found seven galaxies reasonably near the Earth's own Milky Way galaxy that are spewing out X-rays at a hotter rate than the so-called background X-rays detectable all over the universe.

Though they only found seven such galaxies, the scientists said that further searches may reveal many more, showing perhaps that such galaxies provide a high percentage of the cosmic X-rays in the universe.

"These galaxies are representative of a larger population at a greater distance that makes up (or emits) the bulk of the X-ray background," said Hamilton. "These are the galaxies we see only the nearest neighbours."

The galaxies are called "neighbours," said Helfand, because "they are relatively nearby, only a couple of billion light years" away.

This is considered close, astronomically.

A light year is the distance that light travels in space in a year, about 6 trillion miles.

The discovery of X-ray emitting galaxies so close and seemingly unimportant to star formation, Helfand said, suggests that is the history of the universe star formation continued up until relatively recently. Most astronomers believe that star formation took place in the early part of the 15 to 20 billion-year-old universe and then tailed off.

"These galaxies may be bright X-ray sources because they are undergoing an early stage of their evolution and still forming massive stars," said Helfand. "They may be a key link in being able to study the evolution of galaxies."

X-rays are thought to be generated naturally in the universe when interstellar gas is heated to millions of degrees. Such heating can occur during the course of star formation when vast amounts of matter are attracted to a core by gravitational force. Black holes, bodies massive enough to create a gravitational field that keeps even light from escaping, can also generate X-rays by pulling material from nearby stars, Helfand said.

X-rays cannot be detected on earth, which is shielded by the atmosphere. But satellites orbiting above the atmosphere can measure the radiation.



Prego uses a blackboard during her testimony. (Reuters wirephoto)

Aids out of the mess

Doctor tells how she got it

NEW YORK, Jan 13 (UPI): Dr. Veronica Prego told a civil jury how she contracted the Aids virus by staying behind to "pick up the mess" left by another doctor after they drew blood from a dying Aids patient.

After three days of testimony, the trial of the Aids-afflicted doctor's multi-million dollar lawsuit against the city and two physicians was to resume.

Prego's \$175 million lawsuit accuses one doctor of failing to dispose of infectious medical waste at Kings County Hospital, causing her to prick her finger with a needle containing blood infected with Aids.

She testified in state supreme court Thursday how she ran down a hospital corridor, frantically squeezing blood from her finger, when she realised she might have contracted the deadly disease.

On the night of Jan 3, 1983, she said, she was helped her supervising intern, Dr. Joyce Fogel, take blood from a dying Aids patient and then watched as Fogel left the ward carry-

ing bottles of contaminated blood.

"I stayed to pick up the mess," Prego said.

The physician said she gathered up several needles and took them to a needle disposal unit down the hall.

"I came back to take care of what I thought was refuse, wrappers and stuff. When I picked up the refuse from the bed, I got stuck," she testified.

Prego said she panicked when she realised what happened, squeezing blood from her finger as she ran down the hall to Fogel's office.

"I told her I got stuck with a needle from an Aids patient," Prego said.

Fogel told her not to worry and described her own experience getting stuck with used needles, Prego said.

Fogel told the frightened Prego she had called the Centre for Disease Control in Atlanta, where experts there told her they had no record of a health care worker contracting Aids from being stuck with a used needle.

"She was reassuring. She said it was probably OK," Prego said.

Prego's suit also names Fogel, claiming the doctor was responsible for the infected hypodermic needle being tossed in with other medical waste and not disposing of it properly.

Prego said she was working in the Intensive Care Unit in Kings County hospital in March 1985 when she made a telephone call to check on a test she had taken for hepatitis.

She said Dr. Sheldon Landesman got on the line and they chatted idly for a few minutes before she realised something might be wrong.

"He asked me how I was—'How are you? How are you?'—and I answer, 'I am fine, unless you tell me I am positive,'" Prego said.

"He said that might be the case," she added.

Landesman, who is also named in the suit, is charged with breach of confidentiality for the manner in which he wrote about her that she claims gave details that could be used to identify her.

Congestion survey

Traffic jams cost \$24b

DALLAS, Jan 13 (AP): Jampacked roads in 29 US cities cost drivers \$24.25 billion in 1986 through traffic delays, wasted fuel and higher insurance premiums, according to a study by the Texas Transportation Institute.

The study also concluded that congestion is getting worse instead of better in all but two of the cities.

"Traffic congestion, expected during the 'rush' hour, can now be encountered much of the day on one or more major freeways in almost all large urban areas, said the study, funded by state and federal highway departments.

The congestion survey by the institute, which is based at Texas A and M University, reviewed existing traffic data for 1982 through 1986 in seven Texas cities and 22 other cities elsewhere in the United States.

New York, Chicago, Boston and Washington were left out because researchers were looking for "automobile-based cities" comparable to those in Texas.

Los Angeles was the most congested city included in the survey. It got a congestion rating of 1.42 based on a mathematical formula taking into account such things as average miles (kilometres) travelled by residents daily and available freeway and arterial miles (kilometres).

Grace Jones beats Jamaican cocaine rap

KINGSTON, Jamaica, Jan 13 (UPI): Jamaican born actress Grace Jones was acquitted in Jamaica yesterday on charges of possessing a small amount of cocaine she claimed was hidden in her purse by her husband's jealous ex-girlfriend.

Magistrate Norma McIntosh of the St Andrews resident magistrate court in Kingston ruled after a three-day trial that she would give Jones "the benefit of the doubt."

"I found myself in grave doubt as to whether you had knowledge that the cocaine

was in your handbag," McIntosh told a jubilant Jones, who thanked her profusely.

Jones was arrested April 8, 1989, after police raided the home of her husband, record producer Chris Stanley, in a posh suburb of Kingston and discovered 0.07 of an ounce of cocaine wrapped in a Jamaican two dollar bill stuffed in Jones' purse.

Police testified during the three-day trial that they raided the home after receiving a tip from an anonymous telephone caller that there were drugs on the premises.

Jones told the court the cocaine was planted by Stanley's ex-girlfriend, who also lived in the home. A domestic servant testified that the two women had quarrelled that day.

After the ruling, Jones told the local daily cleaner newspaper that she believed justice had been served and she was not bitter, even though she said the suit had cost her \$30,000 in legal fees and travel expenses.

Jones, who spends many months of the year in her native island, has had clashes with Jamaican authorities before.

Universal American School

Announces the following:

- 1) Re-enrollment for returning students will take place between January 6th and February 1, 1990.
- 2) Brothers and sisters of returning students who would like to join the school next year are requested to apply between January 6th and February 1st, 1990, as they have priority over new students.
- 3) New student applications will be accepted starting Sunday, January 14th, 1990, at 9:00 am.

NOTE: The school may be unable to secure places for its students and their brothers and sisters who do not enroll before February 1, 1990.

Walid Abushakra
Superintendent

TENDER NO. M/57
Kuwait National Petroleum Co. offers for sale by tender the following:-

1. General Refinery Scrap & C.S. Pipes
2. Finned Tubes & S.S. Pipes

Tender documents will be available at Head Office from 8:00 to 14:00 hours for the sum of KD. 5/-.

Viewing date Monday - 15.1.1990
Closing date Monday - 22.1.1990

Don't turn your back on China, Kaifu urges West

ROME, Jan 13, (Reuters): Japanese Prime Minister Toshiki Kaifu urged the West yesterday not to turn its back on China because it brutally crushed a pro-democracy movement last year.

He told reporters on the first day of a visit to Italy the West was right to condemn Beijing for sending the army to put down demonstrations in Beijing's Tiananmen Square in June.

He continued: "But we should not widen the gap between the West and China by isolating it, because this would not help Asian or world stability."

Despite lifting martial law in Beijing this week, China needed to do more to improve relations with the outside world, Kaifu added.

"We call for further gestures, we call on China to be an active partner of the international stage. One cannot cut off a billion people from the rest of the world," he said.

Italian government officials said Kaifu had more than an hour of talks with Italian Prime Minister Giulio Andreotti yesterday.

He pledged Japan's support for European integration, according to the officials.

Foreign Minister Gianni De Michelis met Kaifu, 59, and his large delegation, including Foreign Minister Taro Makizawa, at Rome's top security

Ciampino military airport. Monsignor Domenico de Luca, chief of Vatican ceremonies, represented the Vatican, which Kaifu visited today for a private audience with Pope John Paul II.

Japan's interest in bolstering reforms in Eastern Europe was described by Japanese officials as the most important aspect of his tour, the first by a Japanese government chief to both Western and Eastern Europe.

The officials also said his tour aimed at showing Japan to be a "responsible partner" in global initiatives.

In his talks with Andreotti, 70, who served seven years as Foreign Minister before becoming

Abe leaves for Moscow to hold talks with Gorbachev

TOKYO, Jan 13, (AP): Former foreign minister Shintaro Abe left today for Moscow and talks with Soviet President Mikhail Gorbachev.

Abe, a former secretary general of the governing Liberal Democratic Party, was accompanied by former chief cabinet secretary Keizo Obuchi, former agriculture minister Mutsuki Kato and five other LDP lawmakers.

Abe's aides said he would meet with Gorbachev tomorrow.

Abe, an influential LDP member, will be the first politician from a Western bloc nation to confer with Gorbachev since he reportedly cancelled some meetings with foreign visitors to deal with unrest in Azerbaijan and the breakaway Communist Party of Lithuania.

LDP officials have said Abe will convey Japan's willingness to provide economic assistance to the Soviet Union and co-operate with its reform plans. He will ask Gorbachev

to extend Soviet military reductions to Asia, they said.

Japanese leaders say the recent thawing in East-West relations has been limited largely to Europe.

Japan and the Soviet Union have never signed a peace treaty formally ending their World War II hostilities. A territorial dispute over a group of small islands in the southern Kurile chain has kept the two countries from signing the treaty.

President Francesco Cossiga, have visited Japan and six Japanese ministers have visited Italy.

As a result Italy has a strongly favourable balance of trade with Japan, for the first nine months of 1989 Japan imported Italian goods worth \$2.787 billion and exported to Italy goods worth \$2.016 billion.

Bilateral relations with Italy are also in excellent shape. In the past five years no fewer than 15 top flight Italian politicians, including prime ministers and

Out of jungle after 45 years

NARITA, Japan, Jan 13, (AP): Two elderly Japanese who fought beside communist guerrillas for 45 years in the jungles of Malaysia returned today, saying they had looked forward to coming home the entire time.

Shigeaki Hashimoto, 71, and Kiyooki Tanaka, 77, were greeted by about 20 relatives and friends bearing flowers and candy at Tokyo's airport. It was their first time home since they left in 1944 to work in a wartime Japanese iron factory in Malaysia.

"We're Japanese, so we never forgot about Japan, even for one day," Tanaka told about 70 reporters at the airport. "We looked forward greatly to returning to Japan, but as Japanese we couldn't leave behind the people we were fighting alongside for all those years until this opportunity."

The two appeared on Wednesday in Hat Yai, a town in southern Thailand near the Malaysian border, where they had fought with communist guerrillas in an insurgency that began in 1948 and was formally ended just six weeks ago.

While in the jungle, the two men kept track of the changes taking place in Japan in the years since World War II by listening to newscasts on a shortwave radio.

British Commonwealth forces fought bloody battles with the communist insurgents during what was known as the 1948-1960 "emergency." Fighting then continued on a lesser scale, but Thai-Malaysian military strikes and a Thai amnesty badly hurt the guerrilla movement in more recent years.

The disbanding of the insurgency came in December with an agreement by leaders of the Communist Party and Thai and Malaysian government officials.

"We fought for a long time," Hashimoto said. "We lost touch with all of our old friends. Now only the two of us are still alive."

Several of their relatives, including Tanaka's 51-year-old daughter, had flown earlier in the week to Thailand to accompany them back to Japan.

Doctors in Bangkok had pronounced the two in satisfactory condition, but Hashimoto, who suffers from high blood pressure, travelled from the plane in a wheelchair with a nurse at his side.

The pair said they decided to join the Communist Party of Malaysia when Japan surrendered at the end of World War II in 1945 to help the country gain independence from Britain, Japan's former enemy.

His voice barely audible, Hashimoto explained his years away from home to a crush of reporters and photographers.

In 1957, when Malaysia, then called Malaya, gained independence from Britain, "we could have returned to Japan but it would have required our surrender to the Malaya government and we chose not to do so," he said.

They decided to fight until the end of the insurgency, one of the longest this century.

N. Korea offers talks next month

SEOUL, Jan 13, (UPI): North Korea delivered letters today to South Korean government and political leaders proposing talks early next month on free travel and full border opening, but Seoul dismissed much of their contents as propaganda.

Officials said the letters, addressed to President Roh Tae-Woo, Prime Minister Kim Young-Hoon and opposition leaders Kim Dae Jung, Kim Young-Sam and Kim Jong-Pil, were received at the town of Panmunjom 35 miles (45 km) north of Seoul.

The letters, proposing joint meetings of government and political representatives of the two Koreas, said North Korean President Kim Il-Sung in a New Year address proposed South-North negotiations for the removal of barriers and free travel between the countries, the officials said.

Doi eyeing premiership

First female party chief

TOKYO, (AP): Socialist chairwoman Takako Doi say she never aspired to become Japan's first female premier, but she now admits, "there are so many things I would love to change if I were prime minister."

"I would love to go to Washington and Moscow and take new initiatives in this drastically changing world," she said with a smile, her voice deep and strong.

Ms Doi gave an exclusive interview yesterday to the Associated Press in her office in central Tokyo amid visits from big Japanese companies and media organisations paying their respects to the opposition leader.



Doi: change

She offers few specifics on what initiatives she might propose, a sign of the political education she has gained in becoming the first female to lead a major Japanese political party.

Ms Doi, a 20-year veteran of Parliament, said she never even sought to lead the socialists. But in 1986, after the socialists were crushed in parliamentary elections and her predecessor resigned, the party's left and right wings could not agree on a successor. Ms Doi, who avoided taking ideas, was chosen.

With the Berlin Wall open and the cold war thawing, could male-dominated Japan now take an almost equally dramatic step and elect a woman prime minister?

If it happens, it would be a combination of Ms Doi's charisma and the yet-to-be-measured weakness of the scandal-plagued ruling Liberal Democratic Party, which has ruled for 34 years.

As a highly visible female figure, one of only 27 women who serve with 737 men in the two houses of Parliament, Ms Doi is popular among housewives. As a former university law professor, she also is supported by liberal intellectuals.

In almost four years as Socialist leader, the 61-year-old unmarried doctor's daughter from Kobe has changed the party's image from a union-oriented workers' party to the party of women and young people.

"I am in a position to get a good shot at the premiership, but to be honest, I don't have time to worry about my becoming prime minister right now because I am overwhelmed by preparations for the forthcoming election," she said.

She called an upcoming election for the lower house of Parliament, expected on Feb 18, the most critical in Japan's recent history, because it is "a once-in-a-lifetime chance for opposition parties and people to end the 34-year rule by the Liberal Democratic Party."

Ms Doi's personal popularity led her party to an unprecedented gain in the upper house election last July, forcing the Liberal Democrats into a minority in the chamber for the first time.

But the lower house is more powerful. It elects the prime minister and can pass the budget even if the upper house doesn't agree. Ms Doi's socialists now have 85 of the 512 lower house seats, against 295 for the Liberal Democrats.

The socialists so far are fielding only 145 candidates, meaning Ms Doi will have to persuade

other opposition parties to form a coalition and back her to be prime minister.

In the past, ideological differences have prevented agreement between centrist parties and the socialists.

To attract public support and coalition partners, the socialists have given up some radical-leftist policy stances. Last week, the party decided to remove from its platform its call for revolution. It also has acknowledged Japan's armed forces and its security treaty with the United States.

However, Ms Doi said she would strictly enforce Japan's non-nuclear principles, which forbid nuclear weapons coming into the country. It is widely believed that US warships bearing nuclear weapons move in and out of naval bases in Japan, but the United States refuses to confirm or deny the presence of such weapons.

"We will probably have to re-examine how the (non-nuclear) principle is carried out now, and if there is a suspicion that US forces are bringing in nuclear arms even for transit purposes, we have to demand confirmation," she said.

In general, though, she said she would not seek drastic changes in domestic and foreign policies.

"The long rule by a single party has left us many defects and we will have to correct them somehow," she said. "But trying to change everything overnight is not something we want."

Prime Minister Toshiki Kaifu, now on a trip to Europe where he announced a sizable aid package to East European countries, is "only spreading money around with no principle," she said.

"I feel Japan is left out of decision-making in the rapidly changing world because of a lack of principle in our foreign policy," she said. "It is pitiful for the second largest economy not to be part of the decision-making of the world when it seeks new directions."

"It is time for us to restart with mutual understanding between the people of Japan and foreign countries before we simply throw money at them, or we will be always regarded only as a money spender," she said.

Hurd to push for elections in HK

HONG KONG, Jan 13, (AP): British Secretary Douglas Hurd said today that a timetable for direct elections in Hong Kong would be established in the next few weeks, despite strained ties with China.

Arriving in Hong Kong, Hurd also said the colony will continue its forced repatriation of Vietnamese boat people even though the move has prompted widespread international condemnation.

Hurd said he expected ground rules to be set soon for elections in Hong Kong next year. China, which takes over the colony in 1997, has called efforts to speed up the democratisation of the territory a plot to bring the Chinese government to its knees.

Hurd said that while Britain would consider Beijing's views, it would decide by itself how to proceed with the voting.

"We are not going to sit back as the British government passively and let the clock tick on," he told reporters at Hong Kong's international airport.

"Cool and considered" was how he described the way decisions will be made that will critically affect the lives of Hong Kong's 5.7 million people.

Communist China takes over Hong Kong in 1997 and has promised to reserve Hong Kong's free-wheeling economic and social system for at least 50 years. But confidence in China's promise evaporated after the bloody crackdown June 3-4 on the movement for democracy in Beijing.

Relations between Hong Kong and the mainland have sunk to their lowest level since the ultra-leftist cultural revolution of the 1960s. A series of disagreements between London and Beijing and pro-democracy agitation in Hong Kong have further worsened ties.

To complicate the issue, many in Hong Kong feel Britain has abandoned the colony and is kowtowing to the Beijing government. Protests are expected during Hurd's visit and security will be tight.

His visit, his first to Hong Kong as foreign secretary, follows unproductive meetings between Hong Kong's governor, Sir David Wilson, and Chinese leaders in Beijing. Wilson returned yesterday and will confer with Hurd.

The governor had sharp exchanges with several Chinese leaders over the pace of democratic change in Hong Kong. Wilson called the talks "frank" and Hurd described them as "workman-like," diplomatic buzzwords for unsuccessful.

Time is running out for determining the future of the colony. A committee of Chinese-appointed officials is expected to complete by March the basic law, the blueprint for the territory after 1997.

The main point of contention concerns the pace and extent of democratisation in this colony, one of Asia's economic successes.

China wants only 30 per cent of the legislature, or 18 seats, elected after 1997 but Britain has been pushing for about 50 per cent.

The executive and legislative branches of Hong Kong's current government have called for at least 20 seats to be put up for election in 1991.



Hurd times ahead for Britain in Hong Kong.

13 Viets arrive in US

Ex-prisoners of re-education camps

LOS ANGELES, Jan 13, (UPI): The first 13 of perhaps thousands of former Vietnamese political prisoners expected to settle in the United States were met with tearful embraces from relatives yesterday.

About 100 well-wishers, including clergy and parishioners from 11 Orange County and Riverside County Vietnamese churches, cheered as the Rev. Cuong Hu Nguyen was the first to emerge from a flight from Tokyo to Los Angeles international airport.

Nguyen, out of prison for just 10 days and without sleep for nearly three days, did not recognise the brother he had not seen for 15 years.

Bob Tran, who now lives in southern California, waited at the gate

for his brother, Quang-Hoi, a former south Vietnamese army colonel.

"My brother's been in jail 12 years," he said. "I'm very glad to see him. I miss him very much."

Hung Anh Dao, 48, a former major in the Vietnamese Army, was met by his sister, Linda, 65, who works for the Los Angeles County Department of Social Services.

Dao was captured one week after the fall of Saigon in 1975. He remained in a re-education camp near Ho Chi Minh City until 1980. He has been attempting to leave

Forced to return home

Boat people bitter

HAIPHONG, Vietnam, (AP): Le Van Lich, his two-year-old daughter on his lap, surveyed the grim one-room home he has shared with 17 others since being forcibly repatriated from Hong Kong a month ago.

With a forlorn expression, Lich summed up his new life: "I don't know about the future. I only know the fact before my eyes — I don't have enough to eat."

Luck has been going against Lich, a 37-year-old Catholic who used to fish the nearby waters, since he and his family set sail for Hong Kong in their 43-foot wooden boat to escape grinding poverty.

They completed the 500-mile (800-km) trip to the British colony on June 20, just five days after Hong Kong authorities announced that newly arriving Vietnamese boat people would be considered illegal immigrants unless they could prove they faced persecution in their communist homeland.

That doomed Lich's chances of starting a new life in the West. He freely acknowledged: "I have nothing to do with politics. I just left Vietnam for economic reasons."

The fisherman and 11 other members of his family — including his wife and five children — were among the first group of 51 boat people to be sent back home against their will in the pre-dawn hours of Dec 12.

The forced repatriation triggered an international outcry, in part because of concern that the boat people would be punished upon their return home.

Haiphong officials insist that Lich and other returnees need not worry. Timothy Raison, a British parliamentarian who visited 37 of the forcibly returned boat people last week, also said he found no sign of persecution.

"I think we have been forgiven by the Vietnamese government," said Le Van Tuoi, another fisherman forced back against his will on the same chartered flight.

Lich agreed that local authorities have been friendly and that he does not fear punishment in the future. "Now I have another worry. We don't have money. We don't have anything to live on. We lost our fishing boat and our fishing equipment."

The boat that had been home and livelihood for three generations of Lich's family was left behind. Since returning to Vietnam, they have had to live in a friends' tiny home tucked inside a maze of alleys in this gritty northern port city.

A large cabinet and two beds are the only furniture; a makeshift altar with a faded picture of Jesus rests on a rickety wooden shelf. Clothes hang to dry from three lines strung across the room, while stoves in one corner are the red, white and blue bags that hold Lich's meagre family possessions.

Britain and Hong Kong have promised to pay to Vietnam about \$600 to help repatriate each boat person sent back against their will, but it is unclear how much cash each returnee will get.

"I'm waiting for the money from the Hong Kong government... so I can buy a boat or a house," Lich said. "The government also promised us when we arrived at the airport that it would help us build a house."

Adults received \$30 and children \$15 when they left Hong Kong, although Lich claimed they were promised more, and Haiphong officials say they have distributed another 100,000 dong (about \$25) since.

But the fisherman would need far more money to build or buy a boat equipped with nets, which Raison said could cost up to \$10,000.

In the meantime, Lich is frustrated with being idle and remains bitter at the Hong Kong and British governments for puncturing his dream of a better life.

US lifts China travel cautions

WASHINGTON, Jan 13, (AP): The State Department responded yesterday to China's lifting of martial law in Beijing by issuing a notice to US travellers that some of the precautions it had recommended beforehand are no longer in effect.

Prior to China's announcement Thursday, the department had warned travellers to exercise caution in sections of Beijing where there was a significant presence of armed security forces because of martial law.

Travellers had been urged to avoid going out after dark in Beijing and to refrain from photographing troops or military installations.

The new advisory deletes these references to the need for precautions in Beijing but notes the travellers should still be aware that visits to certain areas of the country are prohibited without permission.

It also notes that there are special restrictions on travel to the Tibetan capital of Lhasa. In addition, visitors should also ensure that all passports are current and they should avoid carrying documents or other items that Chinese authorities might consider objectionable.

Passengers survive Thai copter crash

BANGKOK, Jan 13, (UPI): All nine passengers aboard a Thai army helicopter downed in a rainstorm survived a one-engine emergency landing, Radio Thailand and a military spokesman said today, correcting an earlier report that all had been killed.

The radio said troops from the 4th army region found the Bell-212 helicopter in a remote mountain area of Nakhon Sri Thammarat province, 500 miles (800 km) south of Bangkok.

American public opinion prompts

Hill may seek Korea troop cuts

SEOUL, Jan 13, (AP): A US senator said today that American public opinion makes it likely Congress soon will propose a reduction in the 43,000 US troops stationed in South Korea.

Sen. Timothy Wirth said rapid political changes in East Europe have prompted the American public and US leaders to re-evaluate the military threat abroad and demand defence spending cuts.

US troops reduction options in Korea include a cutback of 5,000 troops to the 1980 troop force level, a reduction of 10,000 over three years and a decrease in non-combatant support personnel, he said.

But he noted that the Soviet Union continues to provide military aid to communist North Korea and said, "this is not a reflection of a benign Soviet Union. Europe is one

thing. Northeast Asia is another."

Wirth plans to fly from Seoul to Moscow where he will meet with Soviet Foreign Minister Eduard Shevardnadze and other Soviet officials to discuss efforts to ease tensions between the two Koreas.

"American taxpayers are asking, 'why in this rapidly changing international environment does the US continue to spend so much on defence?'" said Wirth, a member of the US Senate Armed Services Committee.

Washington is asking the Seoul government to shoulder more of its \$2.2 billion cost of stationing US troops in South Korea.

South Korean pays about \$300 million in direct costs, such as utility charges, and say they pay an additional \$1.5 billion per year in land leases.

Cambodian army clamps curfew on Battambang

BANGKOK, Jan 13, (AP): The Cambodian government has declared a state of emergency and clamped a nighttime curfew on three western provinces after Khmer Rouge rebels attacked a provincial capital, guerrilla radio claimed today.

It said the 5th military region leader issued the order after guerrillas smashed the provincial command headquarters on Jan 5 and other strategic positions in Battambang town, capital of Battambang province.

The claim could not be verified by sources in Thailand, and Khmer Rouge broadcasts often exaggerate the success of guerrilla attacks. The government has

admitted that the Khmer Rouge had struck near Battambang town, the second-largest city, but says those forces were easily repulsed.

The Khmer Rouge, which massacred Cambodians during its rule in the 1970s, is the largest group fighting the government installed by Vietnam, which invaded Cambodia in 1978.

Western diplomats say the guerrillas appear to be conducting psychological warfare by increasing attacks to coincide with the Jan 7 anniversary of the downfall of the Khmer Rouge government.

The broadcast said the commander of the 5th military region, covering Battam-

bang, Pursat and Banteay Meanchey provinces, "declared a state of emergency, imposing night curfew."

It said he "issued a martial law order ordering closure of all roads and ... banning people from travelling at night throughout the 5th military region."

The radio said that after the Jan 5 assault, the guerrillas have waged more attacks along the Sangke river in east Battambang town.

Yesterday, the Khmer Rouge claimed to have besieged trans-national highway route 5 and an adjoining rail line for nearly

two months, impeding government transport.

The non-communist forces of Prince Norodom Sihanouk, allies of the Khmer Rouge, said they seized four outposts 40 kilometres (25 miles) north of the fabled temples of Angkor Wat in simultaneous attacks on Jan 7.

A statement from that resistance faction said the outposts had been set up to defend the capital of western Siem Reap province.

Angkor Wat, an agricultural wonder just outside the provincial capital, was the centre of a Cambodian empire that reached its peak in the 12th and 13th centuries.

Handwritten text in Arabic script: "الله أكبر"

Bulgarians agree to end ethnic strife

SOFIA, Jan 13. (AP): Representatives from the nationalist, communist and opposition camps agreed on a compromise declaration yesterday aimed at defusing ethnic tensions that have swept Bulgaria for two weeks.

Their draft document upheld a Dec 29 decision of the communist leadership restoring religious and other rights to minority ethnic Turks.

At the same time, it reaffirmed Bulgarian as the official language and guaranteed this Blackan nation's "sovereignty" and "territorial integrity."

The provisional declaration was issued by a 19-

member commission of representatives on the last day of weeklong negotiations and must still be submitted to Parliament for final approval.

Parliament meets Monday. The Dec 29 decision allowed ethnic Turks and Muslims here to resume their own names and practise their religion without restrictions.

It reversed an assimilation policy pursued by ousted communist leader Todor Zhivkov that forced ethnic Turks to assume Bulgarian names and restricted their following Islam or using their mother language.

An exodus to neighbouring Turkey began last summer and about 300,000 of Bulgaria's estimated 1.5 million ethnic Turks still are in that country.

The forum was convened after thousands of nationalists converged on the capital last week to protest changing the assimilation policy. Many expressed concern that Bulgarian national unity would be imperilled.

Yesterday declaration guarantees that the Bulgarian language will be "obligatory in schools, universities and other educational institutions, organisations, associations in the sphere of services,

as well as for official documents and declarations." Other languages, it says, could be spoken freely in "everyday communication and interpersonal relations."

The document specifies that all Bulgarians have "the right to choose and exercise their religious beliefs, traditions and customs."

"Each Bulgarian has the right to freely choose his or her own name."

Nobody is permitted "to force people to change their names."

Clashes in Caucasus go on

Break with Soviet party final, Lithuanians tell Gorbachev

MOSCOW, Jan 13. (Agencies): Clashes and tensions continue to mount over disputed Nagorno-Karabakh region as both the Azeris and Armenians have stepped up protests and violent activities.

In another development, Lithuanian communists told Soviet President Mikhail Gorbachev, that their break is final.

Armenian protesters tried to surround villages in Caucasus mountain enclave of Nagorno-Karabakh and scattered clashes continued today after a week of ethnic violence in southern republics, state-run media said.

At least one security officer has been reported killed and an unknown number of people have been injured.

The Armenians were targeting predominantly Azerbaijani villages in Nagorno-Karabakh, a mostly Christian Armenian enclave inside the predominantly Muslim republic of Azerbaijan, said the Azeri news agency Azerinform.

Azerinform deputy director Savili Peretz said he knew of no casualties in the attacks, which followed a reported raid yesterday by Azerbaijanis wearing bulletproof vests and armed with machine guns on the Armenian village of Manashid.

The official news agency Tass said there were casualties in these raids but gave no details.

Nagorno-Karabakh, a predominantly Armenian Christian enclave of some 160,000 people, has been under Azerbaijani control since 1923. Attempts to annex the enclave sparked unrest that left

Bush praises Gorby

CINCINNATI, Ohio, Jan 13.

(Reuters): President George Bush praised Soviet leader Mikhail Gorbachev yesterday for easing East-West tensions but said the Soviet leader was "struggling."

In an apparent reference to secessionist pressures in some Soviet republics — including Lithuania, where Gorbachev visited this week to lobby against independence — Bush noted the difficulties facing reform in the Soviet Union.

"When you see the changes in Eastern Europe, see Gorbachev struggling against what some would say are terribly difficult odds, things are coming our way," Bush said in informal comments separate from his prepared remarks.

"They're moving towards freedom, they're moving towards democracy and I'm proud to be at the helm."

Secretary of State James Baker and Soviet Foreign Minister Eduard Shevardnadze will hold talks in Moscow Feb 6-7 to prepare for a June superpower summit in Washington, the two governments announced yesterday.

Baker's agenda includes arms control issues, human rights and regional conflicts. State Department spokesman Richard Boucher said.

In Moscow, Vadim P. Perfilov, a spokesman for the Soviet Foreign Ministry, said discussion of a new treaty to halve the two sides' stocks of long-range nuclear weapons was expected to dominate the Baker-Shevardnadze talks.

Bush and Gorbachev hope to sign the Strategic Arms Reduction Treaty (START) at their June summit in Washington.

Boucher said Baker was also likely to discuss with Shevardnadze developments in Lithuania and Latvia.

Gorbachev is on a three-day visit to Lithuania appealing to the 3.5 million people there to remain part of the Soviet Union.



Gorbachev talking with a farmer family from the collective farm 'Brida' during a visit to Siauliai, Lithuania. (Reuters wirephoto)

A huge prison

Greek escapees report

ATHENS, Jan 13. (Reuters): In Albania, the last hardline communist state left in East Europe, schoolchildren spy on their parents and secret police have forced bystanders to beat prisoners in the street, refugees and a minority group say.

Ethnic Greeks who fled Albania in the past eight months say the country has turned into a huge prison.

Anti-government demonstrations in the northern town of Shkoder were violently suppressed in December and the secret police and military were put on alert, Menelaos Tzelios, president of the UN-recognised International Federation for the Protection of Minorities, told Reuters.

"I believe that if an uprising takes place there will be a blood-bath far worse than the one in Romania," he said.

Political prisoners in Albania now numbered 100,000 and tight control was kept by the Sigurimi, the government's secret state police, he said.

"The Sigurimi has managed to spread mistrust among family

members. They get their information mainly from schoolchildren who tell their teachers what is said or done in their homes."

An ethnic Greek living in a refugee camp on the outskirts of Athens said he had seen four ethnic Greeks, the subject of dispute between Athens and Tirana, beaten by police.

"I saw the Prassos brothers chained and badly beaten up. Police brought them to the main street in Saranta and asked bystanders to hit them," said Leonidas Pappas, 24, who escaped in November.

"If you refused you were arrested for sympathising with the 'traitors'. Their bodies were swollen up and the smaller one fell down. They kicked him in the stomach. The next day we learned of his death in hospital," Pappas said.

Greek Foreign Minister Antonis Samaras has asked Albania to disprove reports that the Prassos brothers, who were arrested while trying to flee in October, were murdered. Tirana denies the charges.

Albania official denies unrest

BELGRADE, Jan 13. (AP): A senior Albanian communist has denied reports in the Yugoslav media about unrest and strict security measures in Albania.

The Yugoslav news agency Tanjug and Belgrade television said yesterday that rare travellers from isolated Albania report brutal measures against dissent.

"Albanian authorities in an effort to prevent unrest against the regime have imposed extremely strict control measures in the country," Tanjug said.

However, Foto Cami, a member of Albania's ruling Communist Party politburo in an interview with Albanian state radio and television rejected recent reports in Yugoslav, Greek and other Western media of unrest in his country as "slanders" and "anti-Albanian inventions." The interview was carried by the official Albanian news agency ATA, monitored in Vienna.

As the last Stalinist country in Eastern Europe, Albania is viewed by some Western analysts as the next country to experience radical change. But its isolation and small population of 3 million are among the factors that make Albania different from other communist countries in the region.

The hardline communist country has kept its borders virtually closed to foreign travellers, meaning information about what goes on there is mostly limited to the official Albanian media and scant reports from travellers allowed to leave the country.

Milshav Milic, a reporter for Belgrade television from Yugoslavia's Kosovo province, which borders Albania, told the Associated Press that "frequent sound of firearms" was heard yesterday from the direction of Albania.

more than 200 dead in the past two years. The enclave was transferred briefly last year to Moscow's control, then returned to Azerbaijan under supervision of a parliamentary commission.

Armenians began protesting again, and Azerbaijan renewed a rail blockade of Armenia last week in a campaign to retain control of the enclave. Fuel and food are running dangerously low in Armenia, which receives most of its supplies through Azerbaijan.

"The people are furious because the central authorities are not paying adequate attention to events," said Eduard Shakh-Nazaryan, an editor at the state-run Armenpress agency.

"This will lead to unpredictable consequences if it continues," he said in a telephone interview from Yerevan. "I mean, military conflict between us if they continue like this."

Tass reported yesterday that Interior Minister L. L. Ter-Petrosyan, on assignment to help maintain order in the region, was shot to death apparently by an Azerbaijani policeman in the Azerbaijani-populated village of Akhullu. Tass gave no other details.

Azerbaijani activists planned a large rally in Baku, capital of Azerbaijan, this afternoon to protest Armenian claims over Nagorno-Karabakh. Peretz said by telephone from Baku.

Activists complain that an Azerbaijani committee on the disputed region "works too slowly and inefficiently," he said.

Azerbaijani nationalists have seized government buildings and the police headquarters in city near the Iranian border and say they will stay there until the republic's territorial dispute with Armenia is resolved.

A spokesman for the Azerbaijani Popular Front mass movement said his organisation had taken over all public buildings, party and police headquarters and the post office.

"We are not claiming any rights over these organisations," he said. "Our aim is to urge them to take measures to solve the Nagorno-Karabakh question."

In the third Caucasus republic, Georgia, just north of Armenia, activists said scattered pro-independence strikes continued today. Tass said Interior Ministry "troops are protecting order across the republic."

The strikers are calling for communist party leaders to travel to the republic and consider demands for Georgia's secession. The Georgian capital, Tbilisi, has been the scene of political rallies for days by an unknown number of protesters, activists said.

Georgia's National Independence Party spokeswoman Teyta Darasanyan said today that transportation was reduced in Tbilisi and strikes were called in various cities across the mountainous republic.

The unrest came as Gorbachev ended a three-day visit to Lithuania to try to counter an independence drive in that Baltic republic. During the visit he said a law detailing the mechanics of secession was being worked out and would be put to a national referendum.

Lithuanian communists told Gorbachev today the Soviet party he heads had been thoroughly discredited and their decision to break away was final.

Gorbachev ended three-day visit to the once independent republic with joint talks with both the break-away party, whose programme includes a "sovereign" Lithuania, and with a loyalist rump.

The meeting, broadcast live on Lithuanian television, followed a cool response from powerful separatist forces. They have spurned Gorbachev's offer of the proposed law spelling out terms for orderly secession as "propaganda" and "a cheap lie."

Gorbachev, who is both chief of state and head of the Communist Party of the Soviet Union (CPSU), fared little better at the hands of his Lithuanian comrades.

Sitting in a semi-circle facing a hall of several hundred people, Gorbachev heard his party dismissed as too hidebound to compete — for votes or influence — in the whirlwind of modern Lithuanian politics.

SDP in GDR seeks power

EAST BERLIN, Jan 13.

(Reuters): East Germany's fledgling Social Democratic Party (SDP) ruled out a post-election coalition with communists and said today it wanted to form the next government with other opposition groups.

"The aim must now be to deprive the communists of power," SDP spokesman Stephan Hilsberg told the party's first Congress since it was formed last October.

Hilsberg agreed the new opposition groups and parties displayed "a certain inexperience" but this was not the same as incompetence.

"In any case we couldn't do a worse job than the communists," he said to loud applause from the 400 delegates at an East Berlin Congress hall.

The SDP would not form a coalition with the communists after free elections on May 6, he added.

The communists dominate a five-party coalition that narrowly escaped collapse yesterday when Prime Minister Hans Modrow bowed to public pressure and scrapped plans to form a new security police force before the elections.

The SDP has 32,000 members and is one of the opposition groups participating in weekly talks with the government parties.

Others, including the centrist Democratic Awakening Party, have also called for an election alliance of all opposition forces but some conservative groups want to form their own slate for the poll.

East Germany's SPD is closely linked to West Germany's opposition Social Democrats (SDP) and several of its most prominent members were expected to address the congress.

"We highly appreciate the support of the SPD in the structuring of our party and in the election campaign," said Hilsberg.

Delegates were expected to vote later today on changing the party name to Social Democratic Party of Germany, matching the West Germans' SPD title.

If this happens the East German Social Democrats would demand compensation and return of property from the Communist Party, which forcibly amalgamated with the SPD in 1946.

The SDP ruled out swift unification with West Germany, saying democracy needed to be firmly anchored first in the East. But Hilsberg said a united Germany was a long-term aim.

Another party joined the country's rainbow spectrum of political groups today. A Marxist group calling itself the Carnations held its inaugural congress.

Meanwhile the threat of more strikes loomed as the next challenge to Communist Premier Modrow.

The government announced price hikes for several non-food items in a first move to cut bloated state subsidies and dissuade foreign bargain-hunters.

Parliament passed a constitutional change clearing the way for joint ventures with foreign companies. But officials later said majority control would in most cases stay with the East Germans.

The legislature also opened disciplinary proceedings against supreme court chief Judge Gunter Sarge and Harry Harland, the nation's No. 2 prosecutor.

Lawmakers noisily charged judicial officials are dragging their feet in prosecuting cases of corruption under past hardline leaders.



Xavier de Paul holds up Melane, a Romanian orphan he and his wife have adopted, after she flew into Brussels airport. (Reuters wirephoto)

Romania will delay polls

Opposition to organise

BUCHAREST, Jan 13.

(Reuters): A top official of the National Peasants' Party said today that Romanian President Ion Iliescu had agreed the first free elections in 43 years should be delayed to give opposition parties more time to organise.

Ion Barbus, vice-president of the Peasants' Party, said it and other emerging political groups had reached agreement with Iliescu and the ruling National Salvation Front (NSF) but that no precise date had been fixed.

"The President and the NSF agree in principle that the elections should be set at a later date but it is not yet official and no date has been fixed," Barbus said.

"We would like elections to be held between July and September to give us time to organise properly," he added.

The NSF, which took power after communist dictator Nicolae Ceausescu was overthrown in a popular revolution last month, had pledged to hold elections in April.

Iliescu told a crowd of anti-communist demonstrators in the capital last night that one group which would not be taking part in the election was the Communist Party, which was outlawed with immediate effect.

The decision and another policy reversal by the NSF, which said it would call a referendum on capital punishment on January 28, got a mixed reception from Romanians on the streets of the capital today.

The government, which had abolished the death penalty on Jan 1, announced yesterday that all former top communist leaders would go on trial within 10 days.

Ceausescu's two sons and his daughter also face trial before a special military tribunal.

"I don't agree because now they're going to become martyrs," said a teacher, who asked not to be named, referring to the former communist hierarchy.

"If we are a real democracy, the Communist Party should have been allowed to dissolve itself and set itself up under a different name to fight an election," said a student.

The student, like other Romanians frightened by the outpouring of popular anger in a country long rigidly controlled, condemned yesterday's demonstration which led to the NSF decision banning the party.

"The people and leaders showed political immaturity yesterday," he said.

The public protest was the first since the Dec 22 overthrow of Ceausescu, who was executed with his wife Elena on Christmas Day. It erupted on a national day of mourning for the estimated 10,000 people killed in the revolution.

The protests yesterday in the western city of Timisoara prompted the interim National Salvation Front's regional leader, Lorin Fortuna, to resign, the official news agency Rompres said today.

The protesters had demanded the Front clean its house of members tainted by links to the former communist regime.

Maj. Gen. Gheorghe Popescu, commander of the Timis county garrison, announced he would take charge of the local government until new leaders could be chosen in 5 to 7 days. Rompres said.

Party anti-communist

Serbian leader held

BELGRADE, Jan 13. (AP):

Police yesterday briefly detained the leader of a newly formed Serbian political party, which the communist authorities say advocates independence for Serbia.

Mirko Jovic, the president of the Serbian National Renewal Party, was held for about three hours. Vuk Draskovic, a member of the party's leadership, said.

Jovic was detained in Nova

Pazova, a town in the Serbian republic some 30 kilometres (18 miles) north of Belgrade. Draskovic said. It was not immediately clear if police gave a reason for the detention.

Draskovic said that he and Jovic have received several death threats since the party was formally constituted last Saturday, and that an unidentified man pulled a gun on them on Wednesday while they were dining in a Belgrade Writers' Club.

Mr Z creates a fuss

Article on US-Soviet relations

NEW YORK, Jan 13. (AP): Even before the article was published, the US foreign policy establishment and the academic world were abuzz. When it finally came out yesterday, copies of Daedalus — a high-brow journal with a slender circulation — were suddenly a hot ticket.

The article was about US-Soviet relations, and it was signed simply "Z" — a pseudonym that cried out for attention. It was an obvious allusion to a 1947 article, signed "X," that laid the theoretical framework for US cold war policy of containment.

X's article, published in the journal Foreign Affairs, was eventually acknowledged to be the work of George F. Kennan, a State Department official who later became ambassador to the Soviet Union and one of the nation's leading diplomats.

Speculation about the identity of Z began last Thursday, when excerpts from the Daedalus article appeared on the opinion page of the New York Times.

Washington was soon alive with rumours that the author was a well-placed government official — perhaps even a well-placed Soviet government official.

Daedalus, a literary and philosophical quarterly published by the 210-year-old American Academy of Arts and Sciences in Cambridge, Massachusetts, printed 23,000 copies of yesterday's edition — 3,000 more than usual — and expects to issue many reprints, said its editor, Stephen Graubard.

Graubard, however, was hardly ecstatic about his publishing coup. Instead, the 65-year-old editor was publishing a book on the "frivolity" of the American rumormongering about allegations that the pseudonym was a masterful bit of hype.

"The author's identity has become the subject of a

guessing game and considerable gossip," Graubard said. "It seems to be consuming more time and energy than the article itself."

Graubard refused to name the author or explain why a pseudonym was used, except to say that there were "compelling reasons" to protect the writer's identity.

"I want people to read it and say whether they agree or disagree," he said. "This is a very serious subject, and so far I have yet to see an analysis of what was said — as opposed to a guessing game about who said it."

As to the allegation by columnist Patrick Buchanan that the Z byline was "just clever hype," Graubard was indignant.

"All you have to do is read Daedalus to know we don't go in for hype," he said. "I would use a pseudonym whenever I thought there were compelling reasons to do so. But I do not use it as a gimmick."

The article takes a gloomy view of Soviet leader Mikhail Gorbachev's chances of making the Soviet system economically efficient and politically democratic while maintaining the primacy of the Communist Party.

"The fundamental structures of the Leninist system reached an inextricable impasse at the end of the 1970s, and the mounting contradictions of perestroika indicate that the system cannot be restructured or reformed, but can only stagnate or be dismantled and replaced by market institutions over a long period of time," Z wrote.

While arguing that it is therefore futile for the United States to try to help Gorbachev succeed in his avowed aims, Z contends that the West can play a constructive role.

PRAGUE, Jan 13. (AP): The Communist Party will withdraw almost half of its parliamentary deputies to become a minority party, ending 41 years of communist domination in the legislature, a spokesman for an opposition group said yesterday.

The communists, the Civic Forum opposition movement and other political parties came to the decision late Thursday at so-called round table negotiations, said Petr Pithart, a Civic Forum spokesman.

Pithart told reporters that the communists agreed to withdraw 90 to 100 of their more than

200 communist deputies in the 350-seat legislature before the end of January.

The remaining seats are held by members of parties which in past were allied with the communists but which have become increasingly independent, and by some non-party members.

The round table has agreed that parliamentary elections should be held on June 8.

Participants in the negotiations have hammered out a blueprint for the democratic election of a new parliament.

Pithart said the negotiators agreed that all the vacant seats will be available to non-party mem-

bers and candidates will be proposed by the Civic Forum in the Czech region and Public Against Violence in Slovakia, another area of the nation, Pithart said.

The two are sister organisations representing a loose grouping of reformist forces and opposition groups in Czechoslovakia and are attempting to eliminate communist domination in political life.

Every party that wants to run its candidates in the elections must have at least 10,000 members, or a combination of party members and signatures of support that would number at least

10,000 Pithart said.

He said the deadline for registration was mid-April.

Czechoslovak President Vaclav Havel said yesterday he'll seek a speedy withdrawal of Soviet troops from his country and air other ideas when he makes his first official visit to Moscow next month.

At a news conference on his first visit as president to Bratislava, capital of the Slovak republic, Havel declined to be more specific. He said he preferred to tell Soviet President Mikhail Gorbachev his ideas in person.

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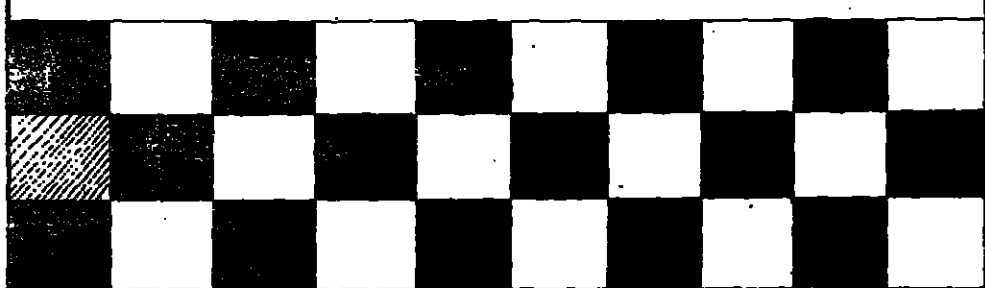
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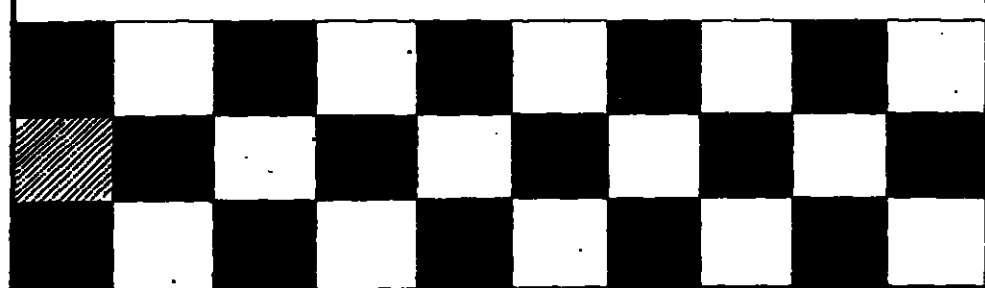
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Market situation since '86 deteriorating

Pay raise to cast healthy effect, say merchants

LOCAL merchants are in agreement that the market situation since 1986 has been deteriorating, though most merchants know of no specific and convincing economic or political justification for the slump.

With the onset of 1990, merchants showed a guarded optimism, as some of them see that this year will constitute a transitional period between the slump and the boom.

However, competition prevailing in the local market has disappointed a great number of merchants. Many merchants claim that the purchase power had extremely waned in view of the measures

taken by the government to limit the inflow of the foreign workforce, coupled with a decrease in commercial licenses issued by the Ministry of Commerce and Industry causing commercial stores to increase in numbers and creating unwarranted competition.

Nevertheless, some merchants expressed optimism over the forth-coming activities during the year, particularly in the wake of the increase in government salaries. They believed that the market may restore some of its normal activities after this increase — particularly by the beginning of the summer season.

The above were the findings of a daily who interviewed a number of merchants

in the local market.

Ahmed Hefzi, director of Grand Stores said that the local market had witnessed the worst situation during last year and as a result, his company had decided to cancel the grand sales during the past years.

Khalil Mahmoud, a shoe shop owner, said that the market activities recorded considerable retreat, particularly during the fourth quarter of last year. He complained that his sales were not exceeding KD150 daily and his profit amounted to about 40 per cent of the total. He said that 1989, in general was the worst year for the market.

Ridha Ghali, a shop owner, said that his daily sales were ranging between KD100 to 150 during 1989 compared to 250 to 300 during 1988. He believed that the increase in government employees salaries would positively affect the activity of the market.

A study conducted by a major company on the situation in the local market amongst a cross-section of over 1000 customers confirmed that 90 per cent of customers were from the middle class and most were happy over the cancelling of the grand sales season. Kuwait City market is the most active in the country compared to other areas, according to the study.



Defence Minister Sheikh Nawaf Al Ahmed received in his office yesterday a number of ambassadors accredited to Kuwait. He received the ambassador of Austria to Kuwait who handed him a message from his Austrian counterpart. Later, Sheikh Nawaf

received separately the ambassadors of Niger and Sri Lanka for an exchange on relations with Kuwait, particularly in the military fields. In the picture above Sri Lankan ambassador with Sheikh Nawaf.

Iraq won't cut oil supplies to Turkey

Euphrates diversion not political

ANKARA, Jan 13. (Reuters): Baghdad does not view Turkey's plan to divert water from the Euphrates River, a lifeline for Iraq and Syria, as a political issue, a senior Iraqi envoy was quoted as saying.

"Iraq does not see the diver-

sion as a political matter," Iraq's Ambassador to Ankara, Tariq Abdul Jabbar Jawad, told the semi-official Anatolian news agency.

Jawad denied a Turkish newspaper report that Iraq had stopped some oil deliveries sent by road to southeastern Turkey in retaliation for the planned diversion.

"There will be no cut either now or in the future in the amount of oil Iraq supplies to Turkey," he told Anatolian.

Turkey plans to divert waters of the Euphrates for 30 days from next Saturday to fill the giant Ataturk Dam, 60 km (40 miles) upstream from the Syrian border.

Jawad was speaking a day after Iraqi leaders in Baghdad discussed the planned diversion of Euphrates water, a major irrigation and hydro-electric power source for Iraq and Syria.

Two Turkish envoys are touring Arab states to explain Ankara's decision to divert for a month the Euphrates River.

"Extensive studies have

shown Iraq and Syria will not suffer any water problem during the one-month period," Necati Utkan, a director general at the Turkish Foreign Ministry told a news conference in Abu Dhabi.

The tour had been prompted by Arab press attacks on the diversion plans, a Turkish Foreign Ministry spokesman said in Ankara.

The envoys have so far visited Kuwait and Bahrain and will travel to Saudi Arabia, Egypt and Jordan after the United Arab Emirates.

"There are no political motives behind the project," Utkan said. He said Arab newspapers had distorted the issue.

Last year then Turkey's prime minister, now President Turgut Ozal, made a veiled threat that Ankara might cut the flow of Euphrates because of attacks by Kurdish guerrillas from bases in Iraq and Syrian-controlled east Lebanon where they are said to have a major training camp.

Turkey says it boosted the flow of water before the diversion to let Syria and Iraq store water.

Pharma law soon: Awadi

THE Minister of Planning and acting Minister of Public Health, Dr Abdul Rahman Al Awadi has said that a law regulating the pharmaceutical profession will be issued within the coming few days.

He told a local daily that the law is currently at the Council of Ministers table and that is expected to be endorsed within the coming two weeks.

He said that the ministry is intending to reorganise pharmacists in its various health centres and hospitals in a bid to sort out existing staff shortages.

He said that the proposed establishment of a college for pharmacology received continued attention of the Ministry and presently discussions are being held concerning the proposed college requirements, the official said.

He said that all pharmacology-related facilities were operated within an integrated system of services to improve performance and upgrade public pharmaceutical services.

He urged all pharmacists to keep pace with rapid developments made in their field.

Man acquitted

THE Criminal Court has acquitted a man on a charge of attempted murder for lack of evidence.

The court heard that the guard of one of the chalet heard some shots and as he went out to see what was going on, he saw a car approaching him with a hunting rifle sticking out. The guard said that the defendant who was holding the rifle shot him in the face.

The car drove off as the victim fell to the ground. However the victim managed to catch sight of the suspect a week later and informed the police. But when the suspect was brought to the station, the victim failed to identify him for the third time in a row, despite the different postures the accused was ordered to take by the police.

Gulf air companies emerging from loss

DUBAI, Jan 13. (Kuna): Chairman of Kuwait Airways Corporation (KAC) Ahmed Al Mishari affirmed in a statement today that national Gulf airline companies will soon make up for passenger loss resulting from international flights using jumbo jets that would not have Gulf airports on their flight schedules.

The Dubai-based Al Bayan daily quoted Al Mishari as telling an Arab Airlines conference held here recently that there was joint co-operation between KAC and Emirates Air.

Al Mishari pointed out that during his discussions with president of Emirates Air, Sheikh Ahmed Ben Saeed Al Maktoum, he stressed that KAC's maintenance capability matches that of international air carriers with competitive prices in training.

Calling for stronger co-operation among Arab companies, he said the upcoming stage will be one of groupings in the aviation world as in the case of Western

companies which are already co-operating together.

Al Mishari said the Gulf airline companies are emerging from the chaotic period they faced in the beginning of the 80s with the present increase in fares and subsequent easing of competition.

Joint flights made by Arab air companies were described by the KAC chairman as being good in the short run but unprofitable in the long term basis.

Al Mishari indicated that KAC made an adequate profit last year because of spending cuts and adaptation to a slump in business from 1982 to 1987 as the company implemented a reconstruction programme.

He added that KAC had leased a number of planes to national carriers of UAE, Egypt, Indonesia and Turkey especially during the Islamic pilgrimage season "Hajj".

The KAC chairman indicated that the move boosted the corporation's profits.

Inter-Arab trading still below target

Common market call

THE secretary-general of the Arab Union of Commerce, Industry and Agriculture Chambers, Dr Birhan Al Dajani has said that the inter-Arab trading activities are still below the desired level.

He told a local daily that this was due to non-dynamic production systems, population growth and competition posed by foreign imports.

He added that despite the considerable success in Arab foreign trade, inter-Arab trading activities remained far below the desired target.

He said that the average inter-Arab trade activities constituted 6 to 7 per cent of the total amount of exports and 9 per cent of imports. Existing unhealthy competition between the Arab trading systems and lack of integral co-operation, are detrimental factors.

He pointed out that most of the products made in Arab states were not required in the Arab area, such as the oil and petrochemical products in addition to the paucity of raw materials needed for the establishment of major industries, such as pharmaceutical, electrical and others.

The only way to Arab economic unity is to establish a common Arab market which would facilitate the transfer of goods, capitals and individuals, he suggested.

He called for a quick Arab initiative to lift existing constraints hampering trading activities in general, cancelling customs duties, issuing more export-import licences, decontrolling commercial businesses, removing current constraints on money-exchanging activities and providing all facilities needed to prop up trade which would eventually lead the way to pan-Arab economic integration.

He pointed out that it is vital for the development of Arab commercial exchange to provide the existing Arab trading sectors with modern technologies and equipment and investors with all needed information.

He added that the Arab investment sector should be provided with means to recommend, potentially successful partners for the investment enterprises and evaluate the Arab products available on the market, while encouraging the banking sector to provide the needed financial aid to back up inter-Arab investment activities.

He also said that special bodies should be set up to undertake economic studies aimed at establishing the economic feasibility of intended or recommended Arab enterprises and undertake the needed promotional campaigns to secure the best possible results.



Adult education

Abdul Rahman Al Khudari, education undersecretary, distributing prizes and graduation certificates to women from adult education centres. The Adults Education and Illiteracy Eradication department of the Ministry of Education held its first ceremony to honour female graduates of the illiteracy eradication classes for 1988/89 at the Safiya Adults Education Centre in Sulbiykhah.

Mahmud lauds Arab role to resolve Lebanon crisis

MANAMA, Jan 13. (Kuna): The efforts being made by the Arab supreme tripartite committee, assigned to resolve the Lebanese crisis were lauded by Anisul Islam Mahmud, the foreign minister of Bangladesh.

Anisul Islam, who was speaking in an interview with Manama based, the Gulf News Agency (GNA) expressed satisfaction over the agreement reached by the Lebanese house of deputies in Taif over crisis and said the historical accord was the fruit of the efforts exerted by Custodian of the Two Holy Mosques, King Fahd bin Abdulaziz of Saudi Arabia to realise the Lebanese national reconciliation.

He called on the Islamic states, superpowers and the entire international community to back the efforts of the supreme tripartite

committee to find a peaceful solution to the crisis.

Meanwhile, Anisul Islam reiterated his country's full support to the Palestinian question and the current Palestinian uprising against the Zionist atrocities in the occupied territories.

He said Bangladesh believed that the ideal settlement for the conflict in the 'Middle East' requires the convention of an international conference on peace with the participation of all concerned parties including the Palestine liberation Organisation (PLO), the sole legitimate representative of the Palestinian people.

He said his country is also supporting full implementation of the UN Security Council's Resolution No. 598 to settle Iran-Iraq conflict.

Shoppers, traders demand expansion in Rai market area

MANY residents from the Rai area have on several occasions complained of the various problems caused by the shops near the sheep market. They said that the original location was designed for the sale of second-hand furniture, but is currently being used for other commercial activities such as the sales of shoes and clothes.

A number of merchants at the market have complained that the location is very small and is incapable of holding all displayed goods. Despite this fact, the market is considered one of the most crowded shopping areas in the country.

Kamel Afeef, a shopper said that prices are very reasonable and there is a variety of items to choose from. He pointedly said that though prices of second-hand clothes and shoes were far less, it is unhealthy to purchase these items.

A salesman, Sabri Ibrahim said that he sells shoes at very low prices. He attributed that these prices are feasible as he purchases his goods from East European countries whose governments being in need of hard currency, heavily subsidise, exports. Because of the numerous customers, who find bargains, the market has become crowded and it is necessary to expand the area to provide salesmen

the opportunity to display their goods, he said.

Another salesman said that he considers the market as the ideal place to do business due to the high turnover and low rents. He said that the prices at the market are far lower than those compared to the popular market.

Rashad Abdoh, a used furniture salesman said that the numerous number of cloths salesmen has made the market too small for the furniture dealers and has caused them to lose heavily. He indicated that the majority of the shoppers who come to the market purchase clothes and shoes only.

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His Highness the Crown Prince and Prime Minister Sheikh Saad Al Abdullah back home after an official trip to Egypt.

KD14m loan to Egypt

(continued from Page 1)

finance a polyester factory. The two sides also agreed that KFAED continue to examine the possibility of financing a land reclamation project of 400,000 acres in north Sinai.

They also reviewed and encouraged the idea of establishing a joint investment holding company with a capital of \$500 million. The agreement was signed in the presence of the two sides in the past.

Cairo and Kuwait also concluded an agreement to extradite convicts of the two countries so that those serve the remainder of their jail terms at home.

Sheikh Saad returned home yesterday at conclusion of an official visit to Egypt.

He was received by head of the National Guards Sheikh Salem Al Ateyah, Sabah Deputy Premier, Foreign Minister Sheikh Sabah Al Ahmad Al Jaber, Sheikh, ministers and senior officials.

The Crown Prince and Premier sent two cables of thanks to Egyptian President Hosni Mubarak and Premier Dr Atef Sedki over the warm hospitality accorded him during his stay in Cairo and expressing confidence that the visit will contribute in further progressing bilateral co-operation in various fields.

His Highness was heading an official delegation grouping State Minister for Foreign Affairs Saad Al Ossaimi, Trade and Industry Minister, Faisal Abdul Razak Al Khaled, Justice and Legal Affairs Minister, Dhari Abdullah Al Othman and several senior officials.

At Cairo airport Sheikh Saad was seen off by Prime Minister Atef Sedki and other senior officials. Egypt's Information Minister Sarwat Al Sharif told reporters that Sheikh Saad Mubarak exchange was an important step taking into consideration their discussion on working out an Arab economic plan to face international changes.

Al Sharif said Sheikh Saad was well-known for his far-sightedness, adding his encounter with the Egyptian officials would give great momentum to the Kuwait-Egyptian relations in particular and Arab relations in general.

NEWS IN BRIEF

Amiri audience

H.H. The Amir received yesterday board members of the Palestinian studies journal on the occasion of holding their meeting in Kuwait.

The audience was attended by Education Minister Anwar Abdullah Al Noori and the Minister of Higher Education Dr Abdullah Al Shamlan.

Sabah meetings
ACTING Premier and Foreign Minister Sheikh Sabah Al Ahmad yesterday received each of the Minister of State for Cabinet Affairs Rashed Al Rashed, Finance Minister Jassem Al Kharafi and Secretary-General of the All-Africa Muslim Committee, Dr Abdul Rahman Al Sumait.

Emirate mourning
DUBAI, Jan 13. (Kuna): The first chairman of the United Arab Emirates Federal National Council, Thani Bin Abdullah Bin Hamid passed away, an official announcement said today.

Increase in social allowance clarified

ABDUL Aziz Al Zaben, under-secretary of the Civil Service Commission (CSC) said that the recent increase in social allowances approved by the Council of Ministers will be paid to Kuwaitis and non-Kuwaiti public servants.

However, he clarified that only non-Kuwaitis who are already enjoying the social allowances will benefit from this increase. These employees are those who have been appointed according to the first contract—irrespective whether they enjoy government accommodation or not.

Non-Kuwaiti public servants who are appointed according to the second or third contract are also eligible to the increase in the social allowance, provided they are married or enjoy government accommodation for the married employees.

Scales
Zaben pointed out that non-Kuwaiti bachelors or non-Kuwaiti female employees will not benefit from the increase because they do not come under social allowances cover.

The increase will also be paid to employees at Kuwait Petroleum Corporation, Central Bank, Savings and Credit Bank, Kuwait University and the Social Securities Establishment as well as all government bodies that have special cadres—provided employees are entitled to social allowances according to their employment scales.

Zaben said that the increase in social allowances will be equal to the increase given to public servants in ministries that are subject to the Civil Service Council.

Rent
The official commented that employees at commercial banks and companies in which the government has shares will not be entitled to this allowance as they are treated as commercial firms.

Meanwhile a local daily reported that Kuwaiti employees who get KD100 as rent allowance and whose payment level is KD600 a month will have the increase added to their payment. However, this amount will be deducted from their rent allowance.

Meanwhile the ministries have endorsed the increase in social allowances of public servants into the lists of payments of their employees to be paid with regular payments beginning with this month's salaries. The increase in the social allowances will cost KD85 million a year.

Speaking on the reflection of prices in the local market due to this increase, Abdullah Al Mulla, director of Supply and Consumer Protection Department at the Ministry of Commerce and Industry denied that prices of consumer commodities and accessories had increased.

He added that prices of non-essential items are changeable but, even here, the increase should be moderate and within reasons.

Journalism training centre soon

THE journalism department recently established at the Ministry of Information aims at co-operating with local newspapers and extending training to Kuwaiti journalists, Abdul Aziz Jaafar, information under-secretary said and added that the ministry is planning to establish a journalism training centre.

He disclosed that the ministry is presently carrying out three major projects; the establishment of a radio transmission station on the short wave, the new television transmission station to be located in Failaka Island, due to be completed within 18 months, and another TV transmission station at Abdali.

The official told the GCC states were conducting feasibility studies on a unified television channel which will be open for a limited number of hours.

Jaafar pointed out that Kuwait Television tries to meet the desires of the public within its abilities to cater to a broad-spectrum of viewers. He added that Kuwaiti local newspapers are distinctive and unique in their standards compared to other Arab media as the former write on different topics of interests to readers with diversified interests.

Commenting on broadening Kuwaiti television programmes on other Arab stations, he said that Gulf TV stations show Kuwaiti programmes beside Iraqi television broadcasts. He criticised some Arab stations for not broadcasting Kuwaiti programmes although KTV does show their programmes.

The official said that Kuwait TV will continue showing these programmes as Kuwait does not want to deprive viewers from cultural and artistic aspects of other Arab countries.

He described the programmes shown at the KTV-2 are better than those of other Gulf televisions. He added that there are some problems that prevent exchanging of programmes among Arab states through the Arabsat. He referred these problems to social, technical and financial circumstances. He added that the ministry plans to open information offices at Kuwait embassies abroad. The ministry began carrying out Kuwait information and cultural weeks in Arab and foreign countries and will continue, Jaafar said.

Officials laud govt efforts to develop local industry

Stress on speedy implementation

A LOCAL daily interviewed a number of industry officials to ask about their opinions towards the economic committee report and to shed light on difficulties faced by the local industries and the extent of support provided by the government.

Mohammed Al Qaysee, the acting director at the Roshd-hatun Water Filling Company stated that initiatives introduced by the economic committee report are mainly designed to develop the economic sector in the country. He hoped that initiatives set by the report will be implemented to the advantage of industry particularly the ones linked with government support. He added that the industry in general should be looked at as an income resource rather than a waste of investors' and government capital.

He supported investment into industries but, indicated that industry should be protected during its first formative years from the vicious attacks of foreign competitors. He indicated that the local industry is being faced by a strong challenge of other similar products of lower prices and enjoy the same quality.

He said government support represented by customary 'protection' was not enough to cover the requirements of some industries at the present. He stated that further protections and insurances should be provided along with the issuance

of laws to obligate establishments and co-operative societies towards purchasing national products.

He stressed that such laws should be followed closely to ensure their validity in addition to studying financial support to projects which should comply to certain profit rates and the permitted period prior to payment of loans.

He added that some local companies still face strong competition but are holding firm due to their effective industrial management. On the other hand, some other companies are faced with losses and should be ordered closed.

He pointed out that promoting national industry outside the country require a more effective commercial planning at Kuwait embassies abroad. He said that some companies would have done well if they had received enough government support.

Other factors which are considered important for a successful commercial operation of national products promotion is to make available statistics and information on similar products which exist in the Arab world or in the Gulf countries.

Khaled Al Moshherji stated that government support should also cover moral aspects which is important for protection against other similar imported products. He pointed out that such support could also be put to more

advantage if projects received facilities from the Industrial Bank. He stated that more relaxation should be made by the Ministry of Commerce and Industry in their rules to avoid any complications.

Moshherji indicated that paper industry in the world enjoys 25 per cent protection of crude materials used. Same support should be applied to the paper industry in Kuwait due to the fact that it is faced with strong competition by imported products of Arab and foreign countries.

He believes that concerns put by the government for local industries and products will help such industries towards achieving goals and will assist in making the local market flourish.

Engineer Khaled Al Shayji pointed out that results of the economic committee report depend on the speed in which these recommendations are put into effect.

On the government support, Shayji said that it was adequate to an extent but, more customary protection should be added for local products. He stressed that the government should direct efforts into adopting local products.

Meanwhile, acting Assistant Undersecretary for Industrial Affairs at the Ministry of Commerce and Industry, Ali Abdullah Bin Ali announced that the ministry next week will

announce the formation of a team to study measures required to lay down a detailed strategy for industry in Kuwait. This will be introduced in accordance with the overall situation of Kuwait economy.

Bin Ali stated that the team will include experts from the ministry along with representatives from other concerned authorities consisting, industrial officials, the Chamber of Commerce and the Industrial Bank in addition to those who participated in preparing the study on the economic scenario of the country.

The official pointed out that the team will study the general lines put forward for economic uplift, particularly that concerning the industrial sector. The team will also gather proposals and recommendations required for implementation.

Bin Ali commented that the joint report recommendations will reflect positively on the local industrial sector. He indicated that the Ministry of Commerce and Industry has come a long way in the implementation of these recommendations and initiatives.

He added that the ministry has closely followed up complaints received by some industrial officials and has exerted full efforts towards resolving them. He stated that bad management of industrial projects is the main problem faced by the local industrial sector.

No intention to cancel ration system

THE Undersecretary of the Ministry of Commerce and Industry, Abdullah Al Hamad has denied any intention to cancel the existing ration system, in the wake of the recent pay increase.

He told a local daily that the ministry did not discuss this matter at all and none of the ministry officials had been approached for comments regarding this matter.

He reiterated the ministry's concern to keep regular control over market prices lest some would use the pay increase to increase prices. He added that firm measures will be taken against such tendency.

A special committee has been formed to control pricing at local markets and shopping centres in response to a government-sponsored plan, government sources said.

The sources, quoted by a local daily, said that the concerned committee would perform its duties in co-ordination with the Ministry of Commerce and Industry.

188,000 expected in next 5 years

(Continued from Page 1)

private sector have adversely affected the flow of expatriates into the country. Additionally, he said that only 10 sectors in the private sector can recruit foreign labourers.

Shaban said that other factors influencing the flow of expatriate manpower to Kuwait originate from outside the ministry. These include the policy of the Ministry of Commerce and Industry in issuing trading licence, government development policy—large projects translate into increased expatriate manpower needs.

The policy of the state in granting rights to GCC citizens in establishing business ventures in Kuwait will also increase demand for expatriate manpower, the official said.

The official reiterated that the various variables, make it difficult

to arrive at precise figures of the number of expatriates that will enter Kuwait during the next five years.

Movement of expatriate manpower does not affect the population level when it takes place within the country, basically by way of transfers of employees from the government to the private sector or vice versa, Shaban said.

Fahd, Hussein talk
RIYADH, Jan 13. (Kuna): King Fahd Bin Abdulaziz of Saudi Arabia received a telephone call from Jordan's King Hussein last night, Radio Riyadh reported.

The two monarchs exchanged views on latest development in the Middle East and means of enhancing bilateral relations, the radio said without elaboration.

Arabsat meeting opens in Oman

MUSCAT, Jan 13. (Kuna): The Arab satellite organisation (Arabsat) opened here today preliminary meetings to discuss amendments on its charter and prepare for the launching of its third satellite.

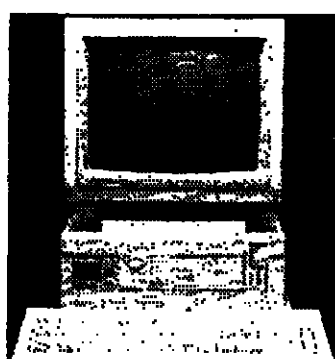
Opening the session, head of the public authority for telecommunications in Oman Nezar Bin Mohamed Bin Abdellah said the meetings precede the ministerial meeting of member countries of the organisation which will be held here Tuesday.

He added that the three-day meetings will look into launching the third Arab satellite, amending the organisation's agreement and discuss a Kuwaiti project submitted by the Communications Ministry.

SMILE TO LAUNCH WEARNES BOLDLINE

After its successful launch world-wide, Wearnes Technology is continuing its fine run in the Middle East countries. In a series of product launches in this region, Wearnes Technology have found good response from the market for their new product, dubbed "The Computer with the Future Built-In." It is the first computer known to be upgraded to a 386SX or an i486 at an affordable price. And here in Kuwait, Smile Electronic Appliances & Computers who has successfully won the sole distribution rights, are bringing you the latest in technology from Wearnes.

Wearnes Technology is part of the large public listed company Wearnes Brothers in Singapore. They specialise in electronics, computers and information technology. It is fully supported by its own Research and Development team and its subsidiaries world-wide. ALR, USA being one of them. Their strength in this field led them to winning many honours in their field and among the latest to add to their distinction is the "1989 Byte Magazine Award" for their latest innovation with "The Computer with the Future Built-In" which is



known as Wearnes Boldline M Series.

Smile is planning to introduce to you for the first time in Kuwait the i486, the latest industry standard chip from Intel Corp. In their coming product launch at Kuwait International Hotel, Smile would demonstrate how easy you can upgrade from a 286 to a 386SX or an i486. It seems like this event would create Kuwait information technology history for being the first in its category.

The Wearnes Boldline M Series is a 286 based machine capable of being upgraded to a 386SX or an i486 with a simple module on a special slot. The beauty of this upgrade is that it

is made so simple that anyone can perform it. And immediately you can run Windows/386 and other 386 software for that matter.

Wearnes Technology's 386SX module will run at 16MHz and 2.33MIPS and the i486 will improve it to 25MHz and 9.7MIPS a 300% increase in performance. The standard machine also combines the latest technology. It provides 1MB RAM at zero wait state and expendable to 5MB on board (16MB max.), a high speed 3.5" 40MB hard-disk with 1:1 inter-leave controller and it has the flexibility of 6 expansion slots. It also supports LIM EMS 4.0.

Looks like this collaboration will make SMILE a runaway success as it is learnt that orders for the first shipment have been taken up and lots of enquiries have poured in from the various ministries, multi-nationals and other private companies. After all they have THE FUTURE BUILT-IN for them when they won the bid to distribute the Wearnes Computer Systems. So join them at the Kuwait International on the 16th January 1990 from 5 pm to 10 pm and witness "THE COMPUTER WITH THE FUTURE BUILT-IN."

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Dr Mohammad Haroon Dahniya
on the sad demise of his

Father

May his soul rest in peace

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May His Soul Rest in Peace

ARAB TIMES

Thought for today

MUSIC is the universal language of mankind — Henry Wadsworth Longfellow, US poet (1807-1882).

OPINION

Mubarak made a timely decision

ONCE again, President Hosni Mubarak reaffirms that his prime concern is the common man of Egypt.

This was proved for the second time when the President sacked the powerful minister of interior, Zaki Badr — a few months after he had dismissed his defence minister Abu Ghazaleh.

By this act, Mubarak demonstrated that he knows the exact timing when a decision should be taken.

The technique to deal with the public is a process that requires very accurate balance and is not in the interest of the government to insist on the mistake just to show its authority.

Wise dealing and fair judgement are reflected in the decision of Mubarak who felt that his people do not want the interior minister and that the coming stages would not augur well for the minister — particularly after committing a grave mistake.

Admittedly Zaki Badr performed his duty — but, his mistake was grievous.

As the political practice in Egypt is a civilised process, led by a civilised leader, he had no option, but to take this pragmatic decision.

Ruling is the rule of the majority who gave their trust to a totally honest leader. Though, some thought that the silence of the President was a sign of weakness, they discovered that under this silence is a burning fire that knows when to warm up and take appropriate decision.

That silence and quietness of the President — which some thought as abnormal, came out to be strong enough to dismiss any person unwanted and not needed by the country or when it is necessary to change persons or posts.

The Egyptian interior minister has now departed as the defence minister departed before him. Power and strength for Hosni Mubarak is the power of actions and not persons or an influence that works against the public interests. With all the quietness that characterises Hosni Mubarak, he ordered his interior minister to leave and hand over the responsibility to a new minister. The action was implemented swiftly and without any noise or abnormal trouble. The entire process was swift, shorter than any one in Egypt or the Arab world expected. He is the President of an open and democratic society, where wishes and desires of the people are said publicly and not in secrecy.

Ahmed Al Jarallah

Republics seek to break away

Gorbachev bids for Soviet unity

MOSCOW (Reuters): Bidding to hold the Soviet Union together, Kremlin leader Mikhail Gorbachev has offered the restless fringe republics the prospect that Moscow might create a formal framework for them to break away.

The apparent paradox, formulated by Gorbachev in Lithuania on Thursday, is a logical extension of his declared drive to turn the monolith state into a genuine federation of free partners, Soviet and foreign analysts said on Friday.

"It is a gamble, but if he plays his cards right and if the nationalists recognise the realities of the world today, it might just come off," said long-time Moscow-based Sovietologist Dev Murarka.

"What is aimed at is a federation with new relations between the centre and republics enjoying self-determination within a common democratic structure," said Albert Grigoryants, a legal expert for the Soviet parliament.

"What he seems to be doing is trying to make it more comfortable to stay in the new Soviet state set-up he envisages by also making it theoretically easier to get out," said a senior Western diplomat.

For two years since national problems began to emerge as one of the main obstacles to his "perestroika" reform programme, Gorbachev has been speaking of a genuine federation to replace rule from the Kremlin.

But in Lithuania this week, he and a senior aide revealed a draft law in preparation setting out the mechanics under which any of the country's 15 republic could withdraw in an orderly fashion.

Under Soviet constitutions since the officially federal state was proclaimed in 1924, every republic formally had the right to "freely secede." But even Kremlin officials now agree this existed only on paper.

Nationalists calling for a breakaway or even a limited extension of republican rights were fiercely persecuted under previous Soviet leaders. Official propaganda spoke of the "unbreakable unity" of the entire Soviet people.

Support

Speaking to workers in the Lithuanian capital of Vilnius, as across the city tens of thousands of people rallied in support of total independence, Gorbachev said he accepted every republic's right to pull out if its people wished.

But during hours of discussion with ordinary people, officials and intellectuals in the once-independent Baltic republic now swept by a wave of national sentiment, he argued fiercely that this would be a mistake.

TODAY IN HISTORY

1784 — United States ratifies peace treaty with England, formally ending American war of independence.

1809 — England and Spain form alliance against Napoleon Bonaparte.

1814 — Denmark regains lost territories, except Heligoland, in separate treaty with Britain.

1858 — Felice Orsini's plot to assassinate Napoleon III is uncovered.

1867 — Peru declares war on Spain.

1907 — Earthquake in Jamaica destroys Kingston and takes 1,000 lives.

1918 — France's former Premier Joseph Caillaux is arrested for treason.

1942 — Forces under US General Douglas MacArthur resist Japanese attacks on Bataan in Philippines in World War II.

1950 — Mohammed Said forms Iranian government; United States recalls all consular personnel from China.

1962 — At least 36 Algerians and Europeans are killed in disorders and terrorist attacks in Algeria's major cities.

1966 — Indonesia closes its mission at United Nations as it prepares to withdraw from the world organization.

1986 — Vinicio Cerezo is sworn in as Guatemala's first civilian president in 16 years.

1987 — Iran says its forces recaptured chain of strategic hills from Iraq in new Gulf war assault northeast of Baghdad.

1988 — Ten Palestinians are detained in occupied Jerusalem in apparent clampdown on Arab activists of inciting resistance to Israeli rule.

1989 — Ronald Reagan makes a farewell address to the American people shortly before the end of his 8-year presidency.



Egyptian President Hosni Mubarak (left) sacked Interior Minister Zaki Badr on Friday. (Reuters wirephoto)

Egypt's law-and-order supremo sacked

Opposition rallying point removed

CAIRO (Reuters): Egyptian President Hosni Mubarak has pulled the rug from under his opponents' feet with the sacking on Friday of the country's law-and-order supremo, Interior Minister Zaki Badr.

While the 63-year-old former police general served a useful purpose in quelling dissent during his four years in office, political analysts said his brash and brutal image was uniting Egypt's fragmented opposition in a campaign for his removal.

While opposition groups were likely to cast Badr's removal as a triumph of their own making, the analysts said they saw it as part and parcel of Mubarak's carrot-and-stick tactic in maintaining social equilibrium.

Badr was widely unpopular, even within his own ministry.

As he spent an hour clearing his desk at the closely-guarded Interior Ministry on Friday afternoon, security sources told Reuters that several senior police officers were heard voicing relief at the news of their chief's dismissal.

Prominent columnist Ahmed Beha' Eddin, himself a recent target for the minister's blunt language, indicated that the sacking had been on the cards for some time.

"I think Egyptians are now heaving a sigh of relief because he had become a burden on people, on us writers and on Mubarak himself," Beha' Eddin told Reuters.

"He was an affront to the president and the whole country."

Beha' Eddin believed the sacking followed an accumulation of incidents involving Badr's straggling methods as Egypt's law-and-order chief and scourge of Islamic dissidents.

But it was a front-page article in the opposition Socialist Labour Party's *Il-Shaab* newspaper last Tuesday that Beha' Eddin saw as the final catalyst.

The daily spelled out what it said were the obscene epithets used by Badr to describe intellectuals, writers and politicians. The epithets were printed in full — unheard of in Egyptian media and shocking in a deeply conservative and devout society.

Badr ordered the arrest of thousands of people, mainly fundamentalists, by extending special powers introduced after the 1981 assassination of Mubarak's predecessor, Anwar Sadat.

Most were freed without charge, but hundreds remained in jail at any one time amid accusations by civil rights groups that many were beaten and tortured.

But perhaps Badr's biggest error of judgement was with the Islamic opposition.

He made no distinction between outlawed activists working in Cairo slums and the Muslim Brotherhood, an elitist body with a strong following among students and professionals.

"It didn't matter when he hammered impoverished provincials working underground in the tenement areas of Egyptian cities and towns," said one diplomat. "But in taking on the Muslim Brotherhood he was challenging part of Cairo's establishment."

The Brotherhood, officially banned yet tolerated by Mubarak, has formed an alliance with secular opposition parties.

Clandestine militants seek to overthrow the state by force, whereas the Brotherhood tries to change the system from within.

Both trends seek to establish Islamic law or sharia as the basis for all government.

Man in the news

CAIRO (Reuters): Interior Minister Zaki Badr, renowned for his crude language and hardline methods, was replaced on Friday by a man said to be his complete opposite in temperament.

President Hosni Mubarak, in a surprise announcement, removed Badr, 63, and replaced him with the governor of Assiut province, Mohammed Abdel-Halim Moussa, 59.

The stocky Badr, a former police general, was given to stormy outbursts, using language that would make many people blush.

His tall, balding successor, a 1954 police academy graduate, is known for a measured approach tempered with courtesy and a willingness to exchange views with the government's diehard opponents.

Badr was appointed interior minister after thousands of police conscripts rioted in 1986. He became the strongarm side of Mubarak's carrot-and-stick policy of giving freedom without letting it develop into anti-government violence.

He is said to have arrested thousands of suspected fundamentalists, alleged leftists, communists, and human rights activists during his days in government.

He is hated by the opposition parties and feared by many Egyptians for his use of emergency powers in force since President Anwar Sadat was assassinated in 1981.

Badr extended the regulations in 1988 for a further three years, triggering wrath from opposition parties.

Badr has been at the centre of several controversies for his brash manner and use of violence in silencing protest.

Last week, the opposition Socialist Labour Party newspaper published a front-page report listing what it said were Badr's obscenities against prominent public figures.

Last year he was involved in a scuffle in parliament where he slapped the face of an opposition member.

In December, he escaped what police said was an attempt on his life when a truck exploded as he drove past.

He launched tirades of abuse at the officially banned but tolerated Muslim Brotherhood Party, describing members as child-molesters, licentious liars and black marketeers.

Assiut province is a stronghold of Muslim fundamentalism. Badr was governor there from 1982 to 1986.

Moussa, who took charge of the province in 1987, managed to avert bloody confrontation by dialogue and meeting some of the opposition's local demands.

Moussa has said he cherishes hard work and discipline. Associates call him approachable, calm, wise, and very firm in dealing with crime.

He was head of the investigative tax department between 1976 and 1983, then head of the public security department. He served as Badr's assistant before going to Assiut.

Moussa is married with two daughters and a son. Like Badr, he was born in the Nile delta governorate of Menoufia.

North African unity vulnerable to whims

TUNIS (Reuters): A union of five North African states is showing how vulnerable it is to regional conflicts and the whims of headstrong leaders as it prepares for its first working summit in Tunis.

Tunis, which is hosting the summit, said it would start on Jan 21, after twice being postponed because one leader or another said he could not attend on previously agreed dates.

The heads of state of Tunis, Algeria, Mauritania, Libya, and Morocco set up the Arab Maghreb Union, North Africa's answer to the European Economic Community, last February with high hopes for rapid progress towards regional integration by the time the EEC creates a single European market in 1992.

The achievements of the first year have been meagre and further progress depends on variables such as the Western Sahara conflict and whether Libyan leader Muammar Khaddafi will continue to support a union which falls short of his pan-Arab ambitions, diplomats and analysts say.

From Marrakesh to Tunis, not much has been done... the mechanisms laboriously put in place have rusted even before they started to function," wrote analyst Hedi Mechri in the Tunis weekly magazine *Realities*.

"We have yet to see the rules and institutions which will protect the union from the whims and sudden changes of mood of those who signed the Marrakesh treaty," he added.

A spokesman for a meeting of junior ministers preparing for the summit said there were many difficulties, both economic and political, but the will for unity remained strong.

King Hassan of Morocco said last month ties with Algeria were at a low ebb following a recent upsurge in fighting between Moroccan troops in the Western Sahara and Polisario guerrillas fighting for the independence of the former Spanish colony, traditionally with Algerian support.

"The problems (with Morocco) have not all been resolved and the Sahara question is not without effects on bilateral relations," Algerian Foreign Minister Sid Ahmed Ghazali said in a television programme last week.

Tunisian Foreign Minister Abdelhamid Eschekhi, who is hosting a preparatory meeting of Maghreb foreign ministers on Friday and Saturday, has played down the importance of the conflict for the union and said it was not on the summit agenda.

"The same problem existed when the union was set up... one day, an honourable solution will have to be found," he said.

Khaddafi, who has encouraged and taken part in more than a handful of unions over the past 20 years, has repeatedly cast doubt on his commitment to the Arab Maghreb Union.

Last June, as his relations began to improve with Egypt, he upset his Tunisian neighbours by saying Libya and Egypt were closer than any other Arab countries.

Turkey cuts off Euphrates water flow

ANKARA, Turkey, (AP): Turkey closed down the hatches of the giant Ataturk dam today to fill up its reservoir, cutting off the flow of the Euphrates River downstream to Syria and Iraq in a move that could lead to tensions among the three neighbouring countries.

The occasion is a moment of pride and accomplishment for Turkey, which views the dam, and a chain of others to be built in the future, the key to the economic development of its backward southeastern region.

But the event is considered cause for worry for southern neighbours Iraq and Syria, which are highly dependent on the waters of the Euphrates, the 2,530 km long (1,460-mile) river that has been the lifeblood throughout history for the area which is ancient Mesopotamia.

For one month, Syria and Iraq will receive reduced water from the tributaries of the Euphrates, estimated to be one fourth of the regular flow of 500 cubic metres (17,500 feet) per second.

Syria is more dependent on the river, because Iraq

also has the Tigris running through its territory. But being upstream, Syria is in a position to keep more of the Euphrates river waters in its own reservoirs and allow a trickle to Iraq.

"This is a problem they will have to solve among themselves," said a Turkish official who asked for anonymity.

Ever since they started building dams on the Euphrates in 1960s, Turks have been periodically reassuring their neighbours, saying they intend to allow optimum and just sharing of the waters by all three countries.

Nevertheless, once the southeast Anatolia project of 15 dams and 18 hydroelectric power plants is completed, Turkey will have a stranglehold on the waters of the Euphrates and Tigris Rivers.

Syria has made no public statement on the imminent water cut. Iraq sent its deputy foreign minister, Nizar Hamdoun, to Turkey last month to ask for a cut of two weeks instead of the planned one month.

Hamdoun told reporters that the cutoff would

not provoke a full-blown crisis in Iraqi agriculture, but it would still cause damage in some areas.

Turks say technical needs — filling up the reservoir to a height of 120 metres (396 feet) and building a concrete plug for one of the diversion channels — dictate the one-month period. They could not promise the Iraqis any reduction.

Turkey on Monday sent a foreign minister delegation to tour the Gulf countries, Egypt and Saudi Arabia to deliver a message that Turkey does not intend to sue its control of the rivers for political leverage.

But officials privately admit that a lot of harm was done when President Turgut Ozal, at the time premier, said last summer in an off-the-cuff remark that Turkey could block the Euphrates River waters to punish Syria for providing support to Kurdish guerrillas waging war for independence in southeast Turkey.

(See page 11)

Letters to the editor

Disappointing trip

SIR: I recently went on a day trip to Failaka Island, but was very disappointed when I got there: a large proportion of the beach had been fenced off, leaving only a small, garbage-ridden area near the harbour for the public.

There was a notice urging visitors to go to the museum, which, in my experience, has always been shut throughout the so called "Opening Hours."

We then decided to spend some time at the park, which looked quite attractive from a distance. However, the gardens had not been at all well maintained and the amenity building was derelict.

I am concerned that the park authorities have forgotten Failaka, and do not realise that quite a few people visit the island, as we did, for an entertaining day out.

Alice E. Puddicombe, Safat

Obliged to clarify

SIR: Having noticed criticism in the Arab Times about the United Malayalee Organisation, I would like to pen my opinion. As an office bearer of Kuwait Indian Cultural Congress, I would like to clarify that John Mandooran's letter (AT, Dec 23) on UMO was an individual comment and not a representation of KICC as a whole. However, the facts brought out in Mandooran's letter cannot be ignored. I strongly believe UMO as an organisation is obliged to clarify the points raised by the public. As long as the criticism against UMO stands unanswered, the readers have no other option but to consider them as truth.

Projecting minute occurrences at big functions by conveniently eclipsing the praiseworthy items of the programmes is like forgetting the skeletons in one's own closets.

Rafeek Vadakkedak, General Secretary, K.I.C.C., Safat

Good advice

SIR: This is with reference to the letter 'Adoption Issue' (AT Jan 9).

The writer did not express his intention in the earlier letters categorically that he would like to promote the noble venture of the organisation. If that was the case, why did he attack the organisation's programme with a negative approach?

My good advice to everyone is "Do whatever you can for the community and leave the rest to others."

Sathesh K. Madathil, Abbasillya

ALL Letters to the Editor must contain the writer's name and address. Publication is at the discretion of the Editor and letters are subject to the editing process for space or other reasons.

Quote me

"I'm not looking back. I'm just looking at the present and the near future. My first big goal is to do well at the Australian Open next week. I've been working hard over the last three weeks and I'm feeling good. I think I'm a good bet. I didn't want a coach who'd be my friend, I wanted someone who'd kick my butt and tell me to go and work." — Yannick Noah after beating Ivan Lendl.

"We are ready to enter into an agreement with the Pretoria regime for a mutual suspension of hostilities as soon as a climate conducive to negotiations is created. Given our history and the practical situation in our country, we cannot be expected to surrender our weapons until an agreement to end apartheid has been arrived at." — ANC secretary-general.

"The people's army must therefore continue to grow and further develop its combat capacity inside the country, so that it becomes a formidable force capable of delivering telling blows against the apartheid regime of a continuous and nationwide basis." — ANC congress.

"The transition has to be gradual to take into account balance of payments shifts and other negative aspects. We are looking for a soft landing and not a hard landing." — Bulgarian Deputy Prime Minister Georgi Pirinski on the need to overhaul Comecon.

"Introducing the market should in no way mean a move towards anarchy in production. Recognising a certain degree of private ownership does not mean this should have a main role in society." — Cuban Vice-President Carlos Rafael Rodriguez to Comecon.

"It's correct to say that Tyson will earn in excess of \$22 million for the fight and Holyfield will receive in excess of \$11 million." — Promoter Dan Duva on Tyson-Holyfield showdown.

"We have not changed our strategy, we still believe in the strategy of protracted armed struggle. Our emphasis at the moment is on training our armed combatants and preparing them for the bitter future." — John Mlambo, chairman of ANC Rival Pan-Africanist Congress (PAC) on South Africa's future.

"All of us were initially communists — some were even leading members of the party — but they are now in the position of leaders not because they were communists but because they were the very few who had the courage to oppose Ceausescu's dictatorship. Let the other political parties show as good credentials." — Former Romanian ambassador to the US disclaiming communists are still in power in Romania.

"I have a great admiration for Doina Cornea, for her courage, tenacity and steadfastness, but I think she is very naive politically." — Silviu Brucan, a member of the executive committee of the NSF which took power after Ceausescu's overthrow slamming Doina for saying the revolution is in peril.

"If some Comecon member countries are not ready yet for change, Poland is ready to start immediately on new method of co-operation with those countries which are ready now." — Polish Premier Tadeusz Mazowiecki.

"I will be interested in what they (Latin American leaders) have to say. The mission... will be one of strong consultations. We're all Americans, North Americans, Central Americans, South Americans. Consultation also implies listening. I'm not going in a defensive posture. I would imagine we would get beyond (discussions of) Panama." — US Vice-President Dan Quayle after President Bush announced he (Quayle) will visit Latin America.

"The American reaction constitutes an interference in a sovereign affair between the Palestinian and Arab states and the relationship established between them." — PLO official accusing the US of interference in Soviet-Palestinian relations.

MIDEAST

Opposition hails sacking of Badr

CAIRO, Jan 13, (Reuters): Egypt's legal opposition, for long a target of crude language and tough tactics by sacked Interior Minister Zaki Badr today hailed his dismissal as the downfall of a tyrant.

"Zaki Badr the tyrant falls," read the main headline in Al Wafd newspaper, organ of the centre-right new Wafd Party and the only opposition daily.

"Thank you Mubarak... you have saved Egypt from a destructive fire and have taken away the detonator from the hand of a madman," an editorial in Al Wafd said.

In a surprise move, President Mubarak yesterday replaced Badr, 63, with

Mohammed Moussa, governor of the province of Assiut who is known for his courteous, measured approach in tackling government opponents.

The semi-official newspaper Al Ahram said today Mubarak removed Badr after receiving independent confirmation that he publicly insulted several public figures.

In a front-page report, it said Mubarak asked his aides to investigate a report on Tuesday by an opposition newspaper accusing Badr of using obscene language to denounce opposition and independent intellectuals.

Il Shaab, the weekly organ of the Socialist Labour Party (SLP), on Tuesday said it had taped speeches by Badr at two public rallies in which he used obscene epithets to describe opposition leaders, writers, lawyers and Muslim scholars.

Badr, like his successor a former police general, was outspoken against all government opponents, making no distinction between Egypt's legal opposition parties and clandestine Muslim militant groups seeking radical changes through violence.

The sacked minister has in the past singled out Islamic fundamentalists for particular abuse, calling them pigs and dogs.

Opposition leaders complained of harassment by security forces under Badr and the banning of public rallies on several occasions under emergency laws in force since Muslims zealots shot dead President Anwar Sadat in 1981.

In his four years in office, Badr has signed detention orders for thousands of Muslim militants and other dissidents. Most were released without being charged.

SLP leader Ibrahim Shalabi told Reuters Mubarak's decision was timely.



Egyptian President Mubarak (left) shakes hands with Mohammed Abdel Halim Moussa after swearing him in as new Interior Minister at Ismailia. (Reuters wirephoto)

MIDEAST BRIEFS



Nazi hunter

French Nazi hunter Serge Klarsfeld holds his passport with Syrian visa at his arrival at Charles de Gaulle airport. Syria expelled Klarsfeld who travelled there to discuss suspected Nazi war criminal Alois Brunner. (Reuters wirephoto)

Kabul welcomes

ISLAMABAD, Jan 13, (Reuters): Afghanistan yesterday welcomed France's decision to be the first Western nation to send diplomats back to Kabul and urged other countries to do the same.

"The Afghan republic welcomes the French government decision and believes that it is a positive action for both countries," the Foreign Ministry said in a statement.

Police seize

KHARTOUM, Jan 13, (AP): After a three-day chase through the desert, Sudanese police captured a gang of armed robbers and seized almost three tons of hashish, a stock of weapons and 299 stolen camels, government newspaper reported yesterday.

Brig-Abdul Ghani-Khalafallah, police chief in the Kordofan region of western Sudan, described the suspects as "the most dangerous armed robbers in Kordofan." Al Kuwait Al Muballaha daily reported.

Sudan denies

KHARTOUM, Jan 13, (Reuters): Sudan denied today that southern rebels had captured an army garrison in southern Kordofan province and blocked the main road between the towns of Juba and Yei in Equatoria region.

"Both claims are lies by the rebel movement. No garrison was captured by the rebels anywhere in southern Kordofan and the army is in full control of the Juba-Yei road," state Radio Omdurman quoted Information Minister Ali Shomous as saying.

Bonn donation

OCCUPIED JERUSALEM, Jan 13, (Reuters): West Germany is to donate \$4.5 million towards a sewage project in the Bethlehem area, its biggest donation to Palestinians living in Israeli-occupied territories, Bonn's ambassador to Jordan said today.

The Palestinian mayors of Bethlehem, Beit Sahour and Beit Jalla signed an agreement today that finalised the deal.

Maghreb unity

TUNIS, Jan 13, (Reuters): Two North African foreign ministers said today that momentous changes in Eastern Europe made a Maghreb unity more vital than ever.

"Changes have overturned many concepts and affected many of the facts which until recently were seen as constant," said Jaddallah Azzouz Al Talhi of Libya at the closing ministerial preparations for a North African summit later this month.

Yugoslav ship safe

BELGRADE, Jan 13, (Reuters): A Yugoslav ship reported missing after being intercepted by gunboats in the Red Sea is now safe in port in Djibouti, the ship's owners said today.

"The ship was released on Thursday," Ante Rojc, general director of the Jadranska Slobodna Plovidba shipping line based in Split, told Reuters.

Official claims

NICOSIA, Jan 13, (Reuters): A Palestinian official was quoted today as saying the PLO co-ordinated with Hamas, a militant Islamic movement in Israeli-occupied territories, but differed with it on how to fight the Jewish state.

"Disagreement between the Palestine Liberation Organisation (PLO) and Hamas movement is not an ideological one but on how to conduct the struggle against the enemy," Hani Al Hasan told the Qatari Al Raya newspaper.

Watanabe in Iraq

RAGHDAD, Jan 13, (Reuters): A senior Japanese official arrived in Iraq today for talks and will go on to Iran, the Japanese embassy told.

Makoto Watanabe, head of the Middle East department at the Foreign Ministry in Tokyo, will hold talks in Baghdad with Foreign Minister Tariq Aziz on regional developments and ways of improving relations.

Syria mending fences with US

Damascus names envoy to Washington

KUWAIT, Jan 13, (Agencies): Syria has taken another step toward patching things up with the US by appointing an Ambassador in Washington, a local daily newspaper quoted well-placed sources as saying today.

The paper has learnt from these sources that Syrian President Hafez Assad chose the fourth man at the Foreign Ministry Walid Al Muallem, who is head of the North America division, as his ambassador to the US. Al Muallem will arrive in the US capital soon to assume his new post.

The last Syrian ambassador to the US was Rafiq Jwaizati, who left Washington in 1985 and was succeeded by Charge D'Affaires Ms Bushra Kanafani.

US-Syrian relations during the last three years of Ronald Reagan's presidency term were marked by tension, resulting mainly from US charges that Syria was behind the blow up attempt of an Israeli civilian airliner in 1985.

To make matters worse, the pro-Syria Popular Front for the Liberation of Palestine - General Command (PFLP-GC) was accused by western sources of being involved in the 1988 blast of a Pan American commercial airliner over Scotland.

However, the Syrians expressed readiness on several occasions to bring anyone involved in any "terroristic" operation to trial, if the Americans and other western states furnish conclusive evidence in this regard.

This pledge by Syria was perceived as a step by Damascus to turn a new page in its relations with Washington.

Almost 14 years after Syria first intervened in its neighbour's wars, Lebanon still occupies the front pages of Damascus newspapers day after day.

The media fulminates against Michel Aoun, the Christian general whose defiant campaign for a Syrian pullout is a recurring headache for Assad.

Syria refuses to guarantee that its estimated 40,000 troops will

leave Lebanon, saying they cannot do so before Israel quits its self-proclaimed security zone in the south.

But diplomats, confirming a Washington Post report, say Damascus has promised in writing to redeploy its troops, currently in two-thirds of Lebanon, and negotiate an eventual pullout.

They say the unpublished document was signed on October 20 by Foreign Minister Farouq Al Shara and given to Saudi Foreign Minister Prince Saud Al Faisal.

It became the basis for the accord announced two days later by Lebanese parliamentarians meeting in Taif, Saudi Arabia.

"This said Syrian troops would pull back to the Bekaa Valley two years after election of a Lebanese President and implementation of political reforms, giving the Muslim majority more power."

Aoun dismissed the Taif accord for failing to set a date for a full withdrawal and contested the legality of the election by Lebanon's parliament of President Rene Muawad, assassinated by a bomb in November after 17 days in office.

Assad remains determined to oust Aoun, though diplomats say international pressure persuaded him not to invade the general's enclave around Christian East Beirut after Muawad's death.

"The Syrians are still giving the international community a chance to move Aoun out," one western diplomat said. "And short of a military showdown, I see no break in the stand-off."

No one knows how patient Syrian will be. But Assad seems unlikely to throw away the diplomatic gains of last year, when he deflected Arab and international pressure to quit Lebanon.

"Assad is wary and watchful of Lebanon but he is not likely to be precipitated into something dangerous," a diplomat said. "Aoun launched a 'war of liberation' against Syria last March, setting off six months of artillery battles that killed almost 900 people."

Soviets tricked me: Weizman

US accused of interference

TEL AVIV, Jan 13, (Agencies): Science Minister Ezer Weizman said yesterday that Soviet officials tricked him when they announced during his visit to Moscow the upgrading of the PLO mission to full embassy status.

"I told him (Soviet Foreign Minister Eduard Shevardnadze) he was making a mistake and I admit they played a trick on me that was obviously planned in advance," Weizman told reporters at Ben Gurion airport on his return to Israel.

Within hours of a meeting between Shevardnadze and Weizman on Wednesday the Kremlin announced that it would allow the PLO to upgrade its Moscow representation to an embassy.

It also announced that the Soviet Union would appoint an ambassador to the PLO's Tunis-based executive committee.

Weizman said that during his meeting with Shevardnadze the Soviet Foreign Minister agreed Israel and the Soviet Union "will try" to upgrade relations to an exchange of legations, falling just short of full-fledged embassies.

In another development Czechoslovakia and Israel will resume relations at all levels soon, the head of a Czechoslovak Foreign Ministry delegation to Israel said.

The United States confirmed yesterday that it was circulating a draft document related to Secretary of State James Baker's efforts to bring

about Israeli-Palestinian peace talks. Reuters, quoting diplomatic sources, reported on Thursday that the United States had sent Israel a document which clearly implies that some Palestinian leaders in exile should be included in peace talks aimed at setting up elections in the occupied West Bank and Gaza Strip.

"I'm just telling you that there is a draft letter," State Department deputy spokesman Richard Boucher told a daily news briefing yesterday.

Israeli Labour Party leader and Finance Minister Shimon Peres has said that the peace process in the Middle East is dying and the decisive hour has come, according to Israeli television.

The PLO today criticised an Israeli plan that the Jewish state should unilaterally go ahead with elections in the occupied West Bank and Gaza Strip if a United States peace proposal fails.

Farouk Kaddoumi, head of the PLO's political department said: "Israelis are under an illusion if they think they can stop the Palestinian intifada (uprising) through unorthodox ways."

Palestinian leader Yasser Arafat arrived in Egypt today for his second visit in three days, the national Middle East News Agency reported.

Minister to unlock missile mystery

NICOSIA, Jan 13, (AP):

Defence Minister Andreas Aloefftis flew to Athens yesterday to discuss the alleged coverup by Greek army officers of the theft of four shoulder-fired anti-armour missiles from a Cyprus army camp.

Government spokesman Akis Fautis said the missing missiles case will be among the "issues of mutual interest" to be discussed by Aloefftis during his meetings with the Greek government and army command.

The "missing missiles mystery" has been making front page headlines in the local press since last week. This followed the revelation by the Athens afternoon daily Apogevmatini that four light anti-armour weapons stolen in Cyprus two years ago were found hidden in bushes on a mountainside in north Greece in November.

The paper charged that senior Greek army officers who formed the command of the Greek Cypriot National Guard at the time the missiles were stolen had tried to hush up the theft.

Fautis said the four Laws found in Greece were the same type as the ones stolen in Cyprus. But it has not yet been possible to establish whether they are the same four because they have no serial numbers or other individual identification markings, he added.

Press reports here and in Athens take it for granted however that the four are the ones stolen in Cyprus.

The issue has become a cause celebre following Fautis' statement that Gen. George Politis, the Greek army officer then commanding the Cypriot force, had made a false signed declaration stating that the four missiles had not been stolen, but were fired during an exercise.

A government announcement on Thursday said the council of ministers had accepted the missile case during its weekly meeting and decided to instruct the attorney general to conduct a full investigation.

Apogevmatini said in its original report last week that the discovery of the missiles in Greece was "a shattering and particularly murky case centered on Nicosia and Athens involving senior Greek army officers."

"It is considered certain the case is connected with terrorist activities."

Apogevmatini implied the missiles may have been intended for an attack on the leader of Greece's new democratic party, Constantine Mitsotakis, who visited a village near where the missiles were found a few days before their discovery.

Editorial comments in both right and left wing local newspapers yesterday said "deadly dangers" will persist for Cyprus as long as the missile mystery is not solved and those responsible tried and punished.

Bombs blast in Tripoli

One killed, ten wounded

BEIRUT, Jan 13, (AP): Three bombs exploded in the northern port of Tripoli today during the morning rush hour, killing one person and wounding 10, soon after an explosive charge went off near the Saudi Arabian embassy in Beirut.

Scattered clashes were reported between rival forces in Beirut and south Lebanon, but no casualties were reported.

Police said panic swept Tripoli's central business section when the bombs detonated at a few minutes apart between 9 am and 9:15 am.

Police reported frightened motorists caused major traffic snarls as they tried to flee the area in Lebanon's second largest city, 50 miles (80 kilometres) north of Beirut.

The bombs, each containing an estimated three kilograms (6 1/2 pounds) of TNT, were planted on sidewalks, police reported.

None of the feuding factions in Lebanon's 14-year-old civil war claimed responsibility for the bombings.

But a police spokesman, who cannot be named under standing regulations, said the attacks appeared to be aimed at undermining the Syrian military presence in Tripoli.

It has been policed by the Syrian army since 1983, when Syrian-backed dissident Palestinian groups forced Yasser Arafat's PLO out of their last stronghold in Lebanon following Israel's 1982 invasion.

"All three explosions occurred 10 to 15 metres (yards) from a Syrian army checkpoint," the spokesman said.

There were similar bombing campaigns in West Beirut after Syrian troops deployed in February 1987 to end three years of anarchy by feuding Muslim militias.

Today's explosions shattered windows within a two-mile (three-km) radius, leaving streets carpeted with glass shards, and damaged 14 cars, police reported.

They said the fatality from the first blast was a 65-year-old electrical tools salesman. The other casualties were passers-by.

Tripoli's 850,000 inhabitants are mainly Sunni Muslims. The city's co-ordination committee, which runs day-to-day administrative affairs, blamed the bombings on the forces of rebel Christian leader Gen. Michel Aoun,

who seeks to force the Syrian army out of Lebanon.

"This is the way the outlaw general sees fit to carry on his so-called war of liberation," the committee declared in a statement.

The two-kilogramme (four-pound) bomb in Beirut exploded late last night under a car parked 80 yards (metres) from the abandoned Saudi Arabian embassy in the residential Manara neighbourhood of West Beirut.

The explosions set several other cars on fire, but no casualties were reported.

Aoun's mainly Christian army units and Syrian-backed Muslim clashed with machine guns and rocket-propelled grenades before dawn across Beirut's dividing Green Line.

Police reported no casualties in the one-hour firefight. But it underlined a marked increase in tension in the divided capital.

Arab League mediator Lakhdar Brahimi arrived unexpectedly in West Beirut yesterday evening and held talks with political and religious leaders there on how to end Aoun's rebellion.

Baghdad to free 50 disabled prisoners

BAGHDAD, Jan 13, (AP): Iraq will free 50 disabled Iranian prisoners of war to match a similar release by Tehran, the first POW exchange in more than a year, Red Cross officials said today.

The move came amid support by both sides for a Soviet proposal to mediate peace talks that have been deadlocked virtually since they started Aug 25, 1988, five days after a United Nations-sponsored ceasefire halted the eight-year Gulf war.

But UN officials who have sought in vain to revive the negotiations say deep differences still remain over implementation of the UN Security Council's ceasefire resolution.

The disputes have left an estimated 100,000 captives held by both sides languishing in POW camps. Some of them have been held since the early stages of the war that broke out in September 1980.

The International Committee of the Red Cross officials said the Iranians would be freed after the 50 Iraqis were released and flown to Baghdad.

Iran's Ambassador to the United Nations, Kamal Kharrazi announced in New York earlier this week that Tehran would release the ailing Iraqi captives and said he hoped Iraq would reciprocate.

One of the Red Cross officials said the Iraqi authorities have "promised to reciprocate with the release of an equal number."

The Iraqi POWs are scheduled to be set free on Wednesday, the officials said. The ICRC supervises prisoner exchanges.

The officials, speaking on condition of anonymity, said a Swiss airliner has been chartered to fly the Iraqis to Baghdad.

UN officials have registered 55,000 POWs held by Iran and 19,500 by Iraq. But they believe the total held by both sides is about 100,000.

The 1948 Geneva Convention stipulates that all prisoners of war should be released when hostilities cease. But the captives held by the two sides have become pawns in the political manoeuvring by Iran and Iraq.

In 1988, the sides exchanged about 400 disabled and ailing prisoners. But the operation collapsed in November of that year amid charges by both sides of falsifying the number of captives seeking asylum.

The two sides still hold an estimated 1,000 ailing POWs between them.

Iraqi envoy to discuss Euphrates

BAGHDAD, Jan 13, (AP): The government will send a senior envoy to Ankara on Sunday to seek to persuade Turkish authorities to shorten a planned month-long cut in the flow of the Euphrates river, officials reported today.

Ministry of Irrigation and Agriculture officials said first undersecretary Abdul Sattar Salman will head a high-level delegation to the Turkish capital to discuss problems arising from cutting the Euphrates flow.

The move, the second Iraqi mission to Ankara in as many weeks, was announced as the Turks were scheduled to halt the flow to fill up the reservoir at the giant Ataturk hydroelectric dam in southeastern Anatolia province.

That will drastically reduce the amount of water flowing south to Syria and Iraq. Their dependence on the Euphrates has heightened in recent years when they, like other countries in the arid region, have been hit by drought.

The river will not be totally blocked, as tributaries below the Ataturk dam will still provide some water.

Velayati in Tabriz to prepare for Soviet tourists

NICOSIA, Jan 13, (AP): Iranian Foreign Minister Ali Akbar Velayati arrived in Tabriz, capital of East Azerbaijan province, today to prepare the ground for facilitating travel between Iran and the Soviet Union, Tehran Radio reported.

The broadcast, said Velayati will meet provincial officials about the tourist exchanges.

The province borders Soviet Azerbaijan, once part of Iran. Shiite Muslims in the Soviet region have been waging a protest campaign for two weeks, demanding closer links with their ethnic co-religionists in northwest Iran amid the wave of reform that has been sweeping Eastern Europe.

The report did not say when the first batch of Soviet visitors was expected in Iran. But it added that Velayati's trip was undertaken "in light of recent developments in Soviet Azerbaijan, and following protests by Muslims there demanding easier travel between the two neighbouring countries."

The protests broke out earlier this month on the Soviet bank of the Araks river which forms part of the border with Iran.

Demonstrators calling for unification with east Azerbaijan rampaged for several days, tearing down border fences, guard towers and communication lines.

Ogle Ogaal, watch Somali government tremble

MOGADISHU, Jan 13, (Reuters): Somalis are queuing up to ogle headlines in Ogaal, the tough-talking tabloid of the country's ruling party, and read all about its latest swipes at the government.

The six-page weekly paper of the Somali Socialist Revolutionary Party has spent months lambasting top government officials for their shortcomings - and few of those named have survived its criticism.

People who normally show little interest in the country's tightly controlled press are suddenly becoming newspaper addicts. Every Friday morning they jostle to snap up the latest edition of Ogaal. Latecomers offer huge sums for photocopies.

Last year Ogaal blamed the central bank governor for a cash shortage and the disappearance from circulation of new 500 shilling notes. He was fired after a few hard-hitting editorials.

The chief of police was the next to go. Ogaal then turned its guns on the cabinet - denouncing two ministers each week for alleged corruption and inefficiency.

Just as readers were beginning to wonder who there was left to attack apart from President Mohamed Siad Barre himself, Ogaal declared in an editorial last Friday that the entire government should resign "because it had failed to tackle the country's social and economic problems."

Siad Barre announced four days later that he had dissolved the government and would shortly form a new administration.

The President, who has ruled Somalia with an iron hand for the past 20 years, is widely assumed to be the author of Ogaal's stinging attacks on members of the government.

Official sources said Commerce Minister Abdikassim Salad Hassan told a cabinet meeting he was prepared to expose the true author of Ogaal's tirades. He then grinned broadly at the President. Somalia's shortcomings are real enough.

Collaborator stabbed to death

OCCUPIED JERUSALEM, Jan 13, (AP): An Arab teen-age assailant today stabbed to death a 50-year-old Palestinian man accused of collaborating with the Israeli authorities, reports said.

Also today, soldiers shot and wounded at least 10 Palestinians during stone-throwing street protests in the occupied Gaza Strip's main cities.

Dozens of Palestinians blocked the main commercial Omar El Mukhtar Street in Gaza city and hurled rocks at Israeli soldiers manning three nearby observation posts, Arab reporters and hospital officials said.

The soldiers opened fire wounding four Palestinians, including a 15-year-old youth in the right knee, hospital officials said.

At least four other Palestinians suffered gunshot wounds in a similar clash in Rafah, and soldiers shot and wounded two Palestinians in Khan Yunis, hospital officials said.

The army could not confirm the incidents but said it was checking the reports.

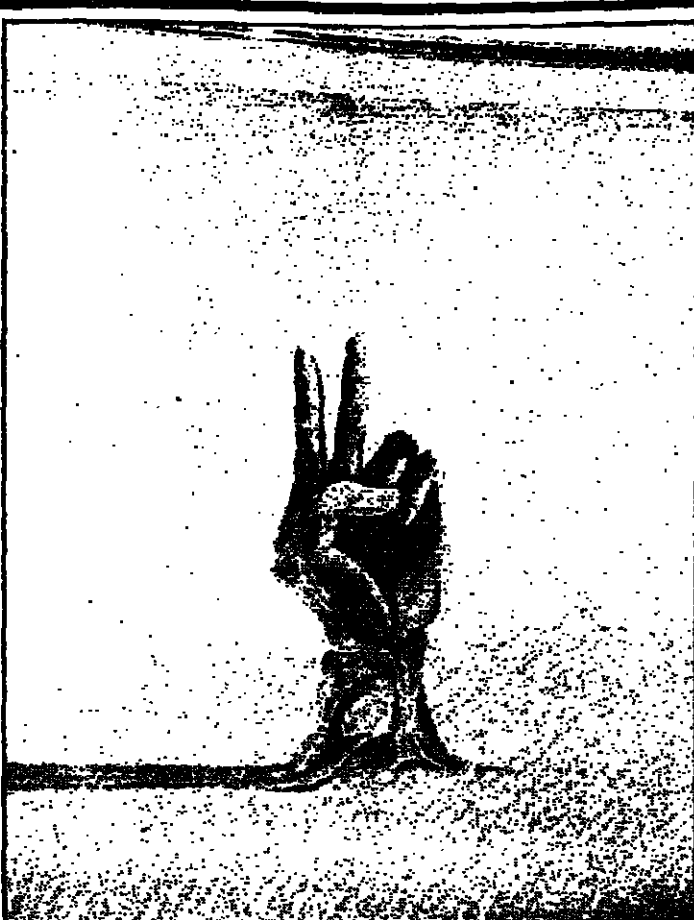


Foreign ministers' meeting

Tunisian Foreign Minister Abdelhamid Echelhi (centre) addresses the opening session of a Marghreb foreign ministers' meeting in Tunis. (Reuters wirephoto)



Walifa Shahin in front of her work.



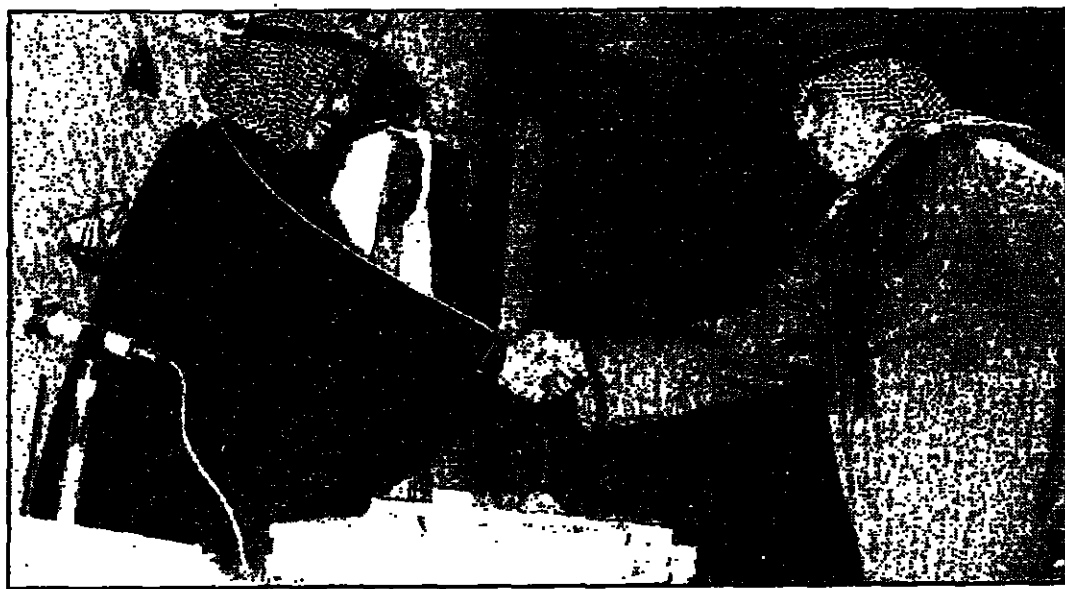
Al Intifada



Omar Al Ghurair, president of the society



Adnan Al Lughani, PR manager



Rashed Al Rashed presenting prizes.

Minister inaugurates second exhibition for teachers' hobbies

STATE Minister for Cabinet Affairs, Rashed Al Rashed, inaugurated the second exhibition for teachers' hobbies at the Kuwait Teachers Society premises in Dasma last week.

President of the society, Omar Al Ghurair, said that the success of the first exhibition promoted the society to organise the second. He said that the teachers get the chance to exhibit their own products of their hobbies.

The idea of the exhibition was initiated last year basically to discover the talents of teachers in various fields. This year 57 teachers presented about 300 art works which ranged from paintings to handicrafts and others.

The exhibition was inaugurated by the Minister, who presented prizes to the winners in various fields. This year 57 teachers presented about 300 art works which ranged from paintings to handicrafts and others.

WHAT'S ON

ARTS

Photography and Oil painting classes
OIL painting classes beginning 15 January.

Photography classes beginning 16 and 17 January.
8 week course, once a week 4:30 to 7:30 pm. For further details please call Ann Eid Tel. 2426135 or Yasmeen 5326833.

Tribal Rugs & Oriental Prints
THE Sultan Gallery will be holding a Tribal Rugs and Oriental Prints exhibition starting Saturday Dec 23 until Jan 15. On Saturday, the Gallery will be open from 5:00 pm to 8:00 pm. Else, it will be open from 9:30 am to 12:30 noon and 5:00 pm to 8:00 pm. For more information contact: 2421951.

Seminar

THE seminar at the DAA, on Arabic and European Art in The Light of Zodiacal Symbolism has been postponed. It will be given during the period Feb 11 - March 11, 1990. Morning sessions on Sunday and Tuesday 11:00 - 12:30 am or evening session on Sunday and Tuesday 6:00 - 7:30 pm. Registration may be made by phoning the Dar Al Athar Al Islamiyyah, Tel: 2430826, 2453259.

Hobby centre

A NEW 8 week course in Jewellery and Design making — For more details call: Telephone: 5618847 or 5317354.

SOCIAL

Caledonian Society

The Annual Burns Night Supper will be held at Messiah Beach Hotel on Thursday, February 1st. For further information and ticket reservation phone: 5335082, 5332235 or 3727691 ext. 253.

Kuwait Little Theatre

Kuwait Little Theatre, Ahmadi, are holding auditions for a comedy to be staged in the theatre in early March and directed by Dave Dorrington. The auditions will be held in the Theatre on 21 and 22 January at 8 pm. All those interested in auditioning are welcome. Those interested in helping backstage are also welcome to attend.

Like a Hurricane!

SEVENTH Sky's upcoming Rock concert at Al Andalus cinema on 15th & 16th February, 1990. We are looking for voluntary helpers and also an additional male & female vocalist. Ring 5748476 or 2543219.

Konkani Drama

THE New Goans Overseas Association is pleased to announce Menino De Bandar's "Sonsarant Astana Diat" a Konkani play which will be held in the Indian Arts Circle (Funaites) on the 16th of February 1990. The cast all from Goa includes M. Boyer, Felcy, Josephine, Betty Alvares, Tita, Junior Rod, Carlos, Rosario Dias, C. D'Silva, John de Parra and Menino de Bandar.

The Carnival Nite

"THE Entertainers" proudly announces for the first time in Kuwait "The Carnival Nite" which is scheduled to be held at the Ramada Al Salam Hotel's Le Mirage main ballroom on 22nd February 1990. Be sure to be there with all your gits and glamorous costumes to witness this traditional event. Top Ranks and Perfect Strangers will rhythm out their best musical performance for this occasion.

Ramada Al Salam

GRAND Indian Food Festival from January 21-26. Display stalls open to Indian companies and individuals. Contact Clifton or Siddiq on 4835344.

II Annual one act Play Competition

INDIAN Arts Circle announces the II Annual One Act Play Competition to be held during Eid holidays in April, 1990. The competition is open to plays in any Indian language including English. Awards shall include Best Play (1st, 2nd & 3rd), Best Director, Best Actor & Actress, Best Child Actor, Best Stage Setting and Best Acting Performance from each team. Registration form with rules & regulations are available from Indian Arts Circle office at Funaites. Last date of submitting registration form with required details is 28th February, 1990.

Please contact IAC office (Tel: 3904817) for further details. All Indian associations engaged in theatrical activities are requested to join.

Folk Songs

A CULTURAL show on popular folk songs and dances of Bangladesh organised by Nirjhar cultural group will be presented at auditorium of Sharq Co-operative on 19th January at 6 pm.

K.M. Shehabuddin, the Ambassador of the People's Republic of Bangladesh to Kuwait, has kindly consented to grace the occasion as the chief guest.

For details please contact: Mahe Alam 4315692 Salam 4330416, Jainal 2420711, 2409987, Mannan 4317223.

British Council

THE Scarlet and the Black — 137 min. Saturday, 13 Jan and Sunday, 14 Jan at 6.30 pm. This is the remarkable story of an Irish priest, Monsignor Hugh O'Flaherty who founded an organisation to help escaping Allied prisoners of war. Features a brilliant cast: Gregory Peck, Christopher Plummer and John Gielgud. Admission is free but please telephone to reserve seats: 2515512, 2533204, 2533227.

Study the Humanities and Social Sciences in Britain. For more information on degree-level studies of these subjects, please visit The British Council Education Office on Monday and Tuesday, 15 and 16 January, 9.00 am to 12.30 pm and 5.00 to 8.00 pm.

Tivim Centre

"TIVIM Centre is pleased to announce their 3rd Annual 9-a-side Inter Village Football Tournament which will be held on the Sour grounds, Kuwait City, beginning March 27/28th 1990. For further information please contact organisers — 2441860 Casmiro."

Kalpak's Drama Competition

KERALA Arts and Literature Promotion Association of Kuwait (Kalpak) is conducting a Malayalam One Act Play Competition at Indian Arts Circle on 9th February 1990.

Saz aur Aawaz

SAAZ aur Aawaz which is one of the leading Indian musical groups with complete orchestra presents their fourth musical programme entitled "Bhute Bisie Geet" covering hit songs of yesteryears at the Indian Arts Circle, Funaites on Friday, Feb 2, 1990 at 6 pm. There will also be lucky draw prizes. For passes call 3985456/3610224/5638026.

SPORTS

Now at the MBH Sports Centre
Life saving course, with Royal Life Saving Society Coach, Grade 1 Examiner will be commencing shortly.

Ergocycle Fitness Computer tests and courses now available at Messilah.

Jazzercise/Aerobics/Staying power/Yoga and Ballet exercise classes also available.

Mitsubishi table tennis

The Mitsubishi table tennis tournament for ladies, boys and mixed doubles at the IAC badminton hall on Fri 19th Jan starting at 9.00 am. Finals of last weeks junior boys singles and doubles will also be held along with the prize giving ceremonies for all events (including junior girls). All members, their families and guests interested in participating please call IAC (3904817 after 7 pm), or Jagdish at 2433552, or Sharma at 2644863 for entry passes and details.

CINEMA

Al Andalus
Arabic film
Salmiyah
Arabic film
Al Hamra
Arabic film
Drive-in
Revenge of Nerds II
Al Firdous
Malamaal
Fahabael
Hum Jungle Hain
Al Jahra
Bandan Anjana
Granada
License to Kill
Salaibkhar
Sicilian
Jeeb
Lalamerayil
Ahmadi Drive-in
Just a Damned Soldier

A cry for help

KU SHOBHA L. Dalare, a 15-year-old child from Pandharkawada, India is suffering from a serious heart disease. The walls of her heart are not functioning adequately.

Dr P.K. Deshpande, M.S., a renowned cardiac surgeon says that only an operation will save her life; however, the operation will cost Rs 45,000.

The patient's mother has not got that much money to pay. She is a widow who lives off daily wages only.

Ku Shobha and her mother hope that you can help them. A small sum will help. It is their only hope.

If you are interested, send to: Swami Vivekanand Lok Sewa Samiti, A/c No. 2201 Bank of India, Dhapewada Branch, Tah. Kalmeshwar, Distt. Nagpur. Or Secretary: A.T. Dhoke, Dhapewada, Tah Kalmeshwar Distt. Nagpur-441 501.

Swami Vivekanand Lok



Sewa Samiti is a Charitable Heart Research Foundation. It appeals to institutions and humanitarians to send aid by

M.O.M.T. Cheques, Drafts and postal orders. An issued receipt will be sent to the donor.

TELEVISION PROGRAMMES

KTV 1

MORNING PERIOD

9.30 Opening and Holy Quran
9.40 Sabah Al Khir News
9.50 Cartoon serial
10.15 Magazine D'Actualite
10.30 Toyour Billa Ajneha: Arabic serial (part 10)
11.45 That's Incredible: Foreign variety programme
12.25 News summary
12.30 Holy Quran and closedown

EVENING PERIOD

4.00 Opening and Holy Quran
4.15 The World Today via Satellite
4.45 Breen: cartoon serial
5.15 Cartoons
5.45 Night chemists, airlines and official advertisements
6.00 Imam Mohammed Abdoh: historical series (part 14)
7.00 Varieties
7.15 You and your health: Local programme, prepared by Dr Salem Mohammed and presented by Dr Hussain Al Munen
7.45 Diwanat Shuara Al

Nabat: local programme

8.00 Good Evening and Local News
9.00 News in Arabic
9.45 Ghadan Tushroq Al Shams: Arabic serial (part 12)
10.45 Al Daleel: Arabic feature (part 2), starring Sameeha Ayoub, Jameel Rateh, Majdi Wahaba, and Hussain Al Sharbeeni
12.00 News summary
12.05 The World Today via Satellite
12.30 Holy Quran and Closedown

KTV 2

6.00 Opening announcement and Holy Quran
6.10 The Three Stooges. A cartoon series for children
6.30 The Beachcombers. "Hallelujah" but Stu is on a mission to foil the Russian Whaling fleet. Stu is pursued by two men in dark suits who have other plans for him. Nick and John have to interfere....
7.00 Earth - "The Shadow

of Humanity". Nuclear pollution is threatening a cold winter as a result of nuclear and chemical pollutants, smog and desertation...

8.00 News in English
8.30 Wildside. "Delinquency of a Miner". Sutton and his son have to face "Bike" and his gang who are spreading terror in the area.

9.30 Coach. "Boss Weekend". Hyden's team loses the match and Hyden becomes angry.

10.00 Q.E.D. "Keyhole Surgery". Telesopic surgery is replacing the traditional surgical operations where catheters can reach any sensitive part of the human body.

10.30 Bestseller. "Act of Betrayal". Stantin is commissioned by the secret Irish army to pursue Michael in Sydney where he meets Kathy Michael's girlfriend. Will she help Stantin? Michael? find

12.00 News in Brief
12.15 Magazine D'Actualite

PRAYERS

Kuwait City
Al Sharqiya Pharmacy
Al Hilali Street
Al Hakeem Pharmacy
Jaber Al Mubarak St.
Hawalli and Nagra
Hawalli Pharmacy
Tunis St
Salhiya and Rumaitiyya
Al Bader Pharmacy

Blajet Street
Fahabael and Ahmadi
Pasteur Pharmacy
Al Fahabael
Khatat
Al Tasmoh Pharmacy
Ibn Sirine Street
Jahra
Al Zahra Pharmacy
Al Souk Al Jadid

Fajr 5.20 am
Zohr 11.57
Asr 2.51 pm
Maghreb 5.10
Isha 6.32



Farewell to Adnan Butt

A farewell dinner for the well-known Pakistani stage and TV singer, Adnan Butt (sitting 3rd from right) was hosted at the residence of Naved Mir recently, following series of very successful musical programmes organised by the "Rhythm and Rhyme" group during November and December 1989. Picture shows Adnan with friends and executive committee of "Rhythm and Rhyme."



KAF hold third indoor competition

The Kuwait Archery Federation recently held its third indoor competition at the Hunting and Equestrian Club. The competition was over two distances of 25m and 18m. Three archers who are members of the Disabled Society in Kuwait, shot in wheelchairs alongside their able-bodied archers. They shot on equal terms with the same number of arrows and at the same distances.

The archers all attained personal best scores, with Hani Bader reaching 900 for the first time. He was presented with a special badge from the Asian Archery Federation on reaching this score.

Other results were:

Division A: Hani Bader; Omar Al Essa; Dawood Al Ismail.

Division B: Joe (Ljubic); Mohammed Boushara; Sabah Humood Al Abrashid.

Division C: Jerry Ismail; Sannah Abdulrahman Alaskari; Fawziyah Ali Almutein.

Prizes were presented by the managing director of the club, Mohammed Majid Al Shaheen.

The picture shows some of the archers who took part in the competition. (L-R) Abdul Masoud, Joe Ljubic, Omar Al Essa, Hani Bader, Carolyn Tshering (instructor). Seated (L-R) Sabah Al Abrashid, Sanaa Alaskari, Fawziyah Ali Almutein.

BUSINESS & FINANCE

Alshall weekly market review

Market indices dip

THE Alshall index for Kuwaiti shareholding companies recorded on Wednesday Jan 10, 1990 reached an average of 39.96 points with a decrease of 0.33 points — 0.82 per cent — from last week's average of Wednesday Jan 3, 1990. The Alshall index for non-Kuwaiti shareholding companies reached 66.20 points with a decrease of 0.50 point — 0.75 per cent — for the same period, according to Al Shall weekly market review.

The trading volume for Kuwaiti shares reached 17.7 million shares at a daily average of 3.54 million shares with a decrease of 54 per cent from the previous week's daily average of 7.78 million shares.

Non-Kuwaiti traded shares reached 0.725 million shares at a daily average of 0.145 million shares with a decrease of 82 per cent from last week's daily average of 0.820 million shares.

The value of Kuwaiti traded shares was KD6.7 million at a daily average of KD1.34 million, a decrease of 50 per cent from last week's daily average of KD2.7 million.

The value of non-Kuwaiti traded shares was KD0.028 million at a daily average of less than KD0.006 million, a decrease of 87 per cent from last week's average of KD0.045 million.

For the Kuwaiti shares market, the banking sector came first at 63 per cent of total trading against 60 per cent last week. The Gulf Bank had the lead at 28 per cent, followed by the Commercial Bank at 25 per cent and the National Bank of Kuwait at 19 per cent.

The investment sector came second at 14 per cent, in which National Investments had the lead at 52 per cent, followed by Kuwait Investment Projects at 27 per cent and Coast Investment and Development Company at 21 per cent. The services sector came third at 13.5 per cent, in which, Kuwait commercial markets led at 67 per cent, followed by Kuwait Computer Company at 18 per cent and Mobile Telephone Systems at 15 per cent. As for the non-Kuwaiti shares market, Bahrain and Middle East Bank had the lead at 33 per cent, followed by Gulf Medical Projects Company at 32 per cent and Bahrain International Bank at 12 per cent.

As predicted last week, the market continues to show signs of weakness which was reflected on all indices in both Kuwaiti and non-Kuwaiti shares markets.

In past years, the weakness in activity at this period of the year was mainly due to the induced increase in activity at the end of the year that preceded it.

However, the present weakness is attributed to the unexpected weak activity witnessed in the last few weeks of 1989. We believe that the reason for this weakness is due to the expected changes that market observers believed would be applied when a certain report was published and these expectations did not materialise.

Kuwait shareholding companies index

	Wed. 10/01/90	Wed. 03/01/90	Change points
Banking Sector			
The National Bk	123.82	123.82	—
The Gulf Bk	31.03	31.48	-0.44
The Comm. Bk	24.59	25.03	-0.44
Al Ahli Bk	34.31	34.31	—
Bk of Kt & ME	30.97	31.91	-0.94
Kuwait R. Est. Bk	29.14	29.57	-0.43
Burhan Bk	26.53	26.53	—

Kt Finance House	79.92	79.10	0.82
Sector Index	48.01	48.26	-0.25
Inv. Sector			
Kuwait Inv. Co.	9.37	9.37	—
Kt. Int. Inv. Co.	8.93	8.93	—
IFA	29.34	29.34	—
Comm. Facilities	151.24	151.25	—
National Inv.	60.78	66.67	-5.88
Kt. Inv. Proj.	91.01	94.38	-3.37
Coast Inv. & Dev.	96.47	98.82	-2.35
Sector Index	33.30	34.13	-0.82
Ins. Sector			
Kt. Ins. Co.	37.08	38.27	-1.20
Gulf Ins. Co.	23.08	23.08	—
Al Ahlia Ins.	50.84	55.92	-5.08
Warba Ins. Co.	51.55	51.55	—
Sector Index	38.41	37.86	-1.14
Real Est. Sec.			
Kt. Real Est.	15.04	15.04	—
Utd. Realty	45.10	5.16	-0.06
Nat. Real Est.	39.42	39.42	—
Pearl of Kt.	67.46	70.63	-3.17
Sector Index	16.22	18.44	-0.22
Ind. Sector			
Kt. Cmt. Co.	11.45	11.45	—
Ref. Ind.	84.55	84.55	—
Gulf Cables	116.52	116.52	—
Kt. Pharm.	60.44	60.44	—
Sector Index	30.24	30.24	—
Services Sector			
Kt. Cmptr. Co.	151.20	149.04	2.16
Kt. Cinema Co.	9.51	9.51	—
Pub. Whouse Co.	64.65	64.65	—
Kt. Comm. M.Co.	35.45	33.61	1.84
M. Tele. Syst.	338.10	333.33	4.76
Sector Index	58.73	59.02	-0.71
Food Sector			
L. Trad. & Transp.	29.29	29.29	—
Utd Fisheries	11.05	11.05	—
Utd Poultry	110.01	110.01	—
Kt. Food Co.	75.86	75.86	—
Sector Index	38.88	38.88	—
Overall Index	38.96	40.28	-0.33

Non-Kuwaiti shareholding companies index

	Wed. 10/01/90	Wed. 03/01/90	Change points
First G. Bk.	236.84	236.84	—
Bah. Int. Bk.	88.28	88.28	—
Bah. M.E. Bk.	93.97	94.92	-0.95
A. Gen. Inv. (Shua)	42.42	43.94	-1.52
Umm Al Q. Cmt.	17.62	17.62	—
G. Med. Projs.	12.63	12.12	0.51
Total Index	66.20	66.70	-0.50

—Base period 31/12/1983.
—All the companies listed by the Stock Exchange under non-Kuwaiti companies are included.

Asry makes first net profit for ten years

BAHRAIN, Jan 13, (Reuters): An Arab Shipbuilding and Repair Yard said today it made a net profit in 1989 of \$4.2 million, after 10 years of losses.

Arab Ship Repair Yard (Asry) general manager Antonio Machado Lopes told Reuters the Bahrain-based company expected profits to soar in the 1990s on rising oil exports from the Gulf and a world-wide boom in shipbuilding.

"In the coming years, the Gulf could be supplying most of the world's oil — if the area remains peaceful, the future of ship repair yards in the Gulf is very bright," he said.

Lopes said the company made a net loss in 1988, after subtracting depreciation costs, but declined to give a figure.

He said operating profit rose to \$10.5 million in 1989, from \$445,000 the previous year while turnover leaped to \$47 million from 26 million.

Lower insurance rates following an August 1988 ceasefire in the Iran-Iraq war have boosted business for Gulf shipyards by making it cheaper for vessels to stay in the waterway.

Lopes said Asry would build a second drydock at an estimated cost of \$55 million to take advantage of the business boom.

Interest Rates

KUWAIT, Jan 13, (Kuna): Following are the average KD interest rates as quoted by local banks and announced by the Central Bank of Kuwait today.		
Period	Bid	Offered
1 month	8-1/8	8-5/8
3 months	8-5/16	8-9/16
6 months	8-3/16	8-1/2
1 year	8-3/16	8-7/16

Currency Rates

KUWAIT, Jan 13, (Kuna): Following are the international currency rates as quoted by local banks and announced by the Central Bank of Kuwait today.		
	Buying	Selling
US dollar	0.29100	0.29150
Sterling	0.48769	0.48553
DM	0.17240	0.17331
Sw Fr	0.14000	0.14156
F.fr	0.05068	0.05087
Il.lira	0.002310	0.002330
Japan	0.001903	0.002006
Bah.din	0.771780	0.773242
UAE Dh	0.679205	0.679561
S. ryal	0.077558	0.077927
O. ryal	0.079901	0.080305
O. ryal	0.755549	0.759225

Call to create national insurance market

By Khaled Ahmad

A LEADING insurance expert has criticised the government-sponsored economic recommendations for not tackling the insurance sector in the country. General Manager of the Arab International Insurance Company, Sheikh Mohammad Al Jarrah Al Sabah stressed that the economic recommendations designed to reactivate the national economy have not "touched the vital insurance sector." He emphasised on the great importance of insurance in the economic circle in the country and its role in financing of projects.

He called for revising the role of supervision and control on the insurance sector through co-ordinating the investment activities with the government's economic policies.

He stressed that the creation of a national insurance market is a very important advantage for the economic development and thus it should receive an added concern.

He expressed hope that this issue would receive a suitable size in the ongoing discussions and measures aimed at improving the investment atmosphere and the economic performance in general.

He stressed on the strong bonds and important interaction between the insurance sector and other economic sectors. He cited the example during mid seventies when the insurance sector boomed along with the construction and building sector. Similarly, the insurance sector was adversely affected by the drop in the activity of the construction field during the '80s.

Sheikh Mohammad said that the reduction of interest rates on real estate loans, the strict ban on leasing government houses and the study on the possibility of owning apartments through easy-term loans, will certainly promote the construction sector and will positively influence the insurance activity. He said that the ability of the insurance sector to insure giant government projects is very limited, and such projects are re-insured with the international reinsurance markets.

Sheikh Mohammad hailed the development

achieved by some economic sectors, stressing that this would positively influence the insurance sector and other economic sectors in the country. He stressed that taking a number of specific measures and issuing a legislation to protect the insurance sector would greatly enhance the insurance business and will greatly restrict the outflow of funds paid on foreign re-insurance facilities.

Sheikh Mohammad proposed a number of suggestions to promote local investment opportunities including studying the possibility of allowing expatriates to contribute to local investment projects.

About the major developments that recently took place in the Gulf insurance markets, Sheikh Mohammad stressed that an intensive competition has been raging in the Gulf. He said that the main cause of this competition, which influence the size of instalments is the return of many international insurance companies to the Gulf after the ceasefire in the Iraq-Iran war.

These foreign companies have been trying to gain control on the largest share possible and have been providing important facilities. He said that these companies have withdrawn from the region during the years of war but have now returned in full force. He said that there are indications of an economic boom in the region and it will leave an impact on the insurance industry, but ruled out any big boom like the one it took place in the '70s.

He said that the operational results of the Arab International Insurance Co. increased by 25 per cent during 1989 compared to the previous years. He attributed this increase to expanding activities in the Arab markets. He said that the Gulf re-insurance companies have only 10 per cent of the re-insurance operations from the region and the rest goes to foreign companies.

He attributed this to the lack of technical capability in addition to lack of funds. He stressed that the Gulf insurance companies still revolve in the orbits of foreign companies and the Gulf markets are still importing insurance services, which result in a great exhaustion of funds out of the region.

IMF remains divided on quota increase

WASHINGTON, Jan 13, (Reuters): Negotiators seeking agreement on an increase in resources for the International Monetary Fund (IMF) were sharply divided yesterday and extended their meetings into next week.

Monetary sources said the size of the increase was still at issue as well as the growing problem of loan payment arrears by member countries. "There has been some progress," a source said, "but they are still sharply divided."

IMF managing director Michel Camdessus has sought a doubling of the IMF's subscription quotas on the grounds the agency is faced with critical global economic problems and must be in a position to act if new and unforeseen crises developed.

But most countries have taken the position a two-thirds boost was appropriate and the United States is urging a smaller increase.

Washington, pleading its own budget problems, has argued that any funding increase should be about 35 per cent although officials have said that this was subject to negotiation.

The IMF makes emergency loans to countries hit by balance-of-payments problems and other economic woes using a pool of funds put in by its 152 member countries, depending on their economic size and other factors. The quotas, as they are called, now stand at \$120 billion.

So far East Germany has said its new regulations would restrict foreign participation in joint ventures to 49 per cent to protect East German industry from a sell-out.

East Germany has communism's strongest economy but is keen to attract foreign

capital to bolster industries wiling because of outmoded factories and a dramatic westward exodus of disillusioned citizens.

Nickel told reporters after meeting West German finance minister Theo Waigel: "We will formulate basic rules."

Waigel said West German firms were clamouring to invest in East Germany but would not be satisfied with a 49 per cent limit.

"All forms of participation are problematic," Waigel said. "But 49 per cent participation will definitely not be enough to maintain the atmos-

phere that prevails in the markets at the moment and to allow capital to flow in the right direction."

Western economic experts said other reforming East European countries had also initially tried to keep majority stakes in joint ventures but has abandoned this rather than frighten away Western investors.

"Our impression has been for some time that if a joint venture is of particular interest, then the 49 per cent rule will be relaxed," said one Western diplomat.

"The word in West Germany is — don't wait for the law to be passed, get into the market now," he added.

Non-Opec should help push up prices: Oman

Indonesia hikes oil prices

JAKARTA, Jan 13, (Agencies): Indonesia raised its Minas benchmark oil price for January export contract sales to \$19.24 a barrel from \$18.07 in December. Mines and Energy Minister Ginandjar Kartasasmita announced today.

Ginandjar also told reporters after meeting President Suharto that Indonesia's Arjuna crude for this month was set at \$19.47 per barrel, an increase of \$1.14 compared with December contract sales of \$18.33.

Ginandjar said although the world market prices of crude oil is predicted to decline in the next few months along with the end of winter in the northern hemisphere, Indonesia hoped the decline would not be sharp.

He said prices of crude oil have been highly favourable in recent months, due not only to the winter but to better understanding and co-operation among members of the Organization of Petroleum Exporting Countries and especially between two major producers, Iran and Iraq.

Ginandjar said oil prices usually fall during February, March and April but are expected to improve during June, July and August.

Indonesia's oil production stood at 1.4 million barrels per day including condensate. The nation, the region's only Opec member and Southeast Asia's largest oil producer, relies on petroleum revenues for about half of all foreign exchange earnings.

About 70 per cent of Indonesia's crude oil was exported to Japan, the United States and other Asian countries.

Meanwhile, Omani Oil Minister Said Bin Ahmed Al Shanfari reiterated today that non-Opec producers should work together to push up prices, the Omani News Agency ONA reported.

"Sultan Qaboos Bin Said has issued orders to the Omani oil ministry to co-operate with oil

Japanese team in Riyadh

NICOSIA, Jan 13, (Reuters): Top Japanese petroleum officials arrived in Saudi Arabia today on the second stage of a Gulf tour aimed at ensuring supplies.

Masaji Yamamoto, senior petroleum official at Japan's Ministry of International Trade and Industry, will hold talks with Oil Minister Hisham Nazer, the Saudi Press Agency said.

The team led by Yamamoto arrived in Saudi Arabia from Kuwait and is due to leave for the United Arab Emirates on Monday.

Gulf oil industry sources said talks in Saudi Arabia and Kuwait would focus on extending concession rights of the Japanese-dominated Arabian Oil Company, which produces crude in the neutral zone between the two countries.

The Gulf provides Japan with more than two-thirds of its oil needs. Nazer will pay a private visit to Tokyo on January 25 on a Far East tour which will also take him to South Korea and Indonesia. He will discuss Saudi requests for a share in Japan's fast-growing petrol market.

One Gulf analyst said Japan was planning to open its retail market to Gulf states in exchange for secure supplies of crude in the 1990s.

producing and exporting countries outside Opec to help ...

analysts in Muscat.

Non-Opec Oman produces about 600,000 barrels per day (BPD).

Oman has projected 1990 revenues on 1989 oil prices despite a general belief among analysts that world oil prices would be firm this year.

Shanfari said Oman light crude was selling for \$19 a barrel, compared to the December price of \$17.70.

The Omani oil minister attributed rising world oil prices to political turmoil in Eastern Europe, decreasing production in the United States and the high demand for oil from Eastern Asia.

Shanfari has in the past played a key role in arranging a dialogue between producers inside and outside the Organisation of Petroleum Exporting Countries.

ONA, received in Nicosia, quoted him as saying that several major oil companies in Oman were planning to increase production.

He cited as examples the Petroleum Development Oman (PDO) which would produce 650,000 BPD. Occidental

(Oman) 24,000 BPD, the French group Elf, 5,000 BPD, and Japan's Japex which would produce 10,000 BPD by the end of 1990.

The 1990s will be another Opec era in which oil prices might exceed any level reached in the 1980s, according to Prof. Kofi A. Amoateng of the University of Southwestern Louisiana, writing in the current issue of "Opec Review."

He also reviews the impact on Opec investments of the oil price downturn which started in 1982, leading to the collapse of 1986.

Opec experienced a current account surplus of \$100 billion in 1982 which fell down to 40 billion in 1986, the author notes, adding that not only was the organization's current account out of balance, but its production rate and world oil share were equally down.

Individually, Opec countries were hurt by the 1982 downturn in oil prices and the price collapse of 1986. Those countries that were especially hard hit by the downturn were Gabon, Indonesia, Iran, Iraq, Nigeria and Saudi Arabia.

Before 1982, Saudi Arabia had the largest current account surplus, constituting nearly 48 per

cent of all Opec surpluses. The kingdom subsequently lost the role to Kuwait, which obtained 34 per cent of all Opec surpluses in 1986. Nigeria fared the worst, while Algeria currently appears to be in the least favourable position.

Overall, Opec's current account surpluses in 1983-86 were only \$15.1 billion, about eight per cent of the 1979-82 current account surpluses. Arabian peninsula producers accounted for 88 per cent of Opec's surpluses in 1986 — which was an increase of about four per cent on the 1982 level.

Amoateng notes that Opec, in general, slowed down its investment strategy during the same period because almost all its members were experiencing current account deficits. But after 1986, some Opec countries moved into downstream investment, concentrating their attention on such activities as refining, transportation and marketing.

Each Opec country has its own menu of possible foreign investments, he points out. Kuwait and Saudi Arabia have dominated other Opec countries with regard to foreign investment, but Libya and the United Arab Emirates and other financially strong Opec countries have also accelerated their efforts to invest abroad.

Saudi Arabia's foreign assets totalled \$141 billion by the end of 1982. Currently, it is greatly interested in investment in the world oil industry. In 1987, the kingdom requested joint-venture proposals from US oil companies and negotiated with Texaco for a 50 per cent control of three US refineries.

In 1988, the Saudis requested similar proposals from Chevron, Exxon and Mobil, their former partners in Aramco. The benefits of Saudi Arabia and other Opec members going downstream are many-sided, according to the author.

Sharp drop in British equities

LONDON, Jan 13, (UPI): Equities on the London International Stock Exchange ended the week with a sharp drop, erasing the bullish new year gains and sending the FT-SE 100 below the benchmark 2,400 points.

The Financial Times Stock Exchange 100-share index closed at 2380.1 points down 37.8 points on the session and 64.4 points lower on the week. The Financial Times 30 index ended the week at 1909.1 points, down 31.4 points from Thursday and 39.7 points, down from the previous Friday.

The dramatic 650-point plunge on the Tokyo stock market, larger than its losses in the October mini-crash, and worries over inflationary wage settlements in Britain were cited for the drop Friday.

A late rally Monday after news of prime rate cuts in the United States stopped a 20-point slide in the FT-SE 100. Trading was modest with the Sase volume at just under 400 million shares.

Eurotunnel shares fell 60p at one point as investors awaited the results of talks on cost overruns with the contractors building the Channel tunnel before recovering to end 30p at 653p.

Unilever, the Anglo-Dutch concern, lost 17p to close at 702p on fears that a major cash call will come with a big acquisition and on a weak Amsterdam stock market.

Shares prices staged a modest rally Tuesday, helped by a stronger pound, but restrained by an indecisive Wall Street opening.

British Aerospace gained 4p to 574p on rumours the group was close to reaching a major deal to sell fighter aircraft to South Korea while Rolls Royce shares climbed to 6p to 122p.

Courage brewing deal hopes lifted Grand Metropolitan PLC shares 11p to 658p.

Setting up fund for rehabilitation vital

Nayanar meets Singh

By Thomas Abraham

Arab Times correspondent

NEW DELHI, Jan 13: Kerala Chief Minister E.K. Nayanar yesterday met Prime Minister V.P. Singh in Delhi and urged him to take steps to correct the "continued neglect and discrimination" the state had suffered at the hands of previous central governments.

Nayanar said that many proposals submitted by the state government were either turned down or not acted upon.

Nayanar requested Singh to consider a proposal made by the Kerala government to constitute a fund for the rehabilitation of people who return from the Gulf countries with a corpus of Rs 750 crores.

He also requested that the Trivandrum airport be declared as an international airport with additional facilities. He wanted more Indian Airlines services from Calicut as also expansion of the facilities and services at Cochin airport.

In respect of railways, Nayanar pointed out that the Alleppey-Kayamkulam line, sanctioned in 1982, was yet to be completed. The Telicherry-Mysore line, Nilampur-Chamarajangar line, Cochin-Bodi line, Trichur-Guruvayur line, doubling of the Mangalore-Shoranur line and completion of the remaining portions of the West Coast line were all pending with the centre, he said, adding that the railways had not located a single major project in Kerala, denying employment and development

opportunities for the state.

According to him, the percentage of central investment in the public sector in Kerala had come

Some big airlines raising cargo rates

NEW YORK, Jan 13, (AP): The nation's two largest airlines are raising cargo rates to help offset surging jet fuel costs, and other big carriers say they are considering such a move.

American Airlines and United Airlines said yesterday they are increasing airport-to-airport cargo rates 5 per cent in the continental United States and are making steeper hikes for Hawaii, Puerto Rico and the US Virgin Islands. Industry leader American and No. 2 United also are applying for government approval to raise cargo rates for foreign countries.

Rates for door-to-door cargo service, in which the airlines compete with courier companies such as Federal Express, won't change.

American and United blamed the increases on the rising cost of jet fuel, which has jumped to nearly \$1 a gallon (3.8 liters) from 64 cents at the end of October as oil prices have climbed.

"Because of the astonishing increase in fuel costs, we have no other choice than to increase our (cargo) rates," William R. Boesch, American's vice president for cargo, said in a statement.

Last week, many major airlines raised domestic passenger fares 4 per cent to cover fuel costs, and some carriers added a special fuel surcharge ranging from 35 to 20 per cent. The surcharges were the first such levies since the 1970s oil crisis.

Spokesman for Northwest Airlines and Delta Air Lines said Thursday those carriers are weighing an increase in cargo rates.

"We are reviewing that right now but we haven't made a decision yet," said Delta spokeswoman Jackie Pate in Atlanta.

American is raising cargo rates 8 per cent and from Puerto Rico and the US Virgin Islands and 12 per cent for Hawaii. American, based in Fort Worth, Texas, said it also has applied to the Department of Transportation for a 12 per cent hike for the Caribbean and Mexico, 8 per cent for Europe and Asia, and 5 per cent for Canada, effective April 1.

W. Germany to continue investing in Third World

KUALA LUMPUR, Malaysia, Jan 13, (AP): West Germany will continue to invest in developing countries despite the political, social and economic changes sweeping Eastern Europe, a West German trade official said yesterday.

Hans Peter Stihl, president of the West German Chamber of Industry and Commerce said this while speaking on "the implications for Europe and world economies arising from the present political changes in Eastern Europe" at a luncheon organised by the Malaysia-West German business group. The group is aimed at promoting German-Malaysian economic ties.

Stihl said the recent changes across Eastern Europe, with the opening of its doors of democracy, to the free-market system and to Western Europe, did not mean that developing countries were being asked to "take a back seat" in terms of West Germany's trade and investment policies.

West German investments abroad would continue in spite of the reforms going on in Eastern Europe as economies of the East European countries were still at very low levels and not as free as the economies of many developing countries like Malaysia, he said.

It would take a long time to build the East European markets and the people of those countries did not have the money to buy the goods.

"However, Malaysia is a politically stable country with a free-economy system and as such, any person with money can invest here compared with East European countries where only certain countries are allowed to invest there," he said, adding the West German companies looked for long-term investments and Malaysia was one of the attractive places for such a purpose.

EXCHANGE RATES

Indian rupee	0.017350
Sri Lankan rupee	0.007380
Pakistani rupee	0.013740
Bangladesh taka	0.008970
US dollar	0.292050
Pound sterling	0.485750
UAE dirham	0.079480
Deutsche mark	0.173650
Japanese yen	0.002014

Wall Street watch

Economic fears go global, say analysts

NEW YORK, Jan 13, (AP): Wall Streeters who learned to "think international" in the 1980s have grown increasingly edgy about the economic outlook taking shape at the start of a new decade.

Before long, they fear, problems like inflation in Great Britain or rising interest rates in Japan could start to cause real trouble for the business and financial climate in this country.

Analysts say those misgivings have played a big part in the US

stock market's shaky start on the 1990s.

Many year-end forecasts called for lower interest rates for US consumers and business managers at least through the first several months of 1990. That optimism seemed to be validated early this past week as banks announced a long-awaited cut in the prime lending rate from 10.5 per cent to 10 per cent.

Interest rates in the US bond and short-term money markets held steady even on Friday, when

the government reported a larger than expected 0.7 per cent increase in the producer price index of finished goods for December.

But stock traders didn't take the news so calmly, confronted as they were with word of falling markets in Tokyo and London.

While the Federal Reserve has been gradually relaxing its credit policy, encouraging rates to fall in this country, central banks in several foreign lands have tightened credit in an effort to restrain

inflation.

As a result, German and Japanese interest rates in particular have been climbing, narrowing a once-wide gap between yields available in securities of those countries and what global investors could get in the US treasury market.

These days, yields of a little more than 8 per cent on American government bonds must compete with 7.5 per cent or so in West Germany; 6.5 per cent in Japan, and around 10.5 per

cent in Britain.

Sooner or later, analysts say, this trend could force the treasury to pay higher interest rates to attract buyers of its securities in the world marketplace. In other words, American interest rates would rise because of a form of international competition.

"I believe that any further moves by the other central banks to raise rates would be a very important factor in determining

the investment outlook for 1990," said strategist Greg Smith in his current market commentary for Prudential-Bache Securities.

Taken to its extreme, international interest-rate competition could foster a global credit-tightening that might increase the chances of recession in most or all industrial countries.

Such visions, analysts say, are a long way yet from becoming reality. But the prospect alone was enough to stifle the stock

market's early-1990 rally before it got very far.

The Dow Jones average of 30 industrials fell 84.04 to 2,689.21 in the past week, wiping out the previous week's 20.05-point gain.

The New York Stock Exchange composite index dropped 6.32 to 188.32; the Nasdaq composite index for the over-the-counter market lost 18.50 to 439.72, and the American Stock Exchange market value index was down 10.22 at 372.23.

Manila seeks more money from Japan

Some banks may increase their loans

TOKYO, Jan 13, (Reuters): A high-level Philippine team sought to convince Japanese banks to lend more money to Manila following last month's abortive coup, but it appears to have had limited success, bankers said.

While some banks here may increase their loans to the country slightly, many believe they are already lending enough.

"Japan on the whole has already made a sufficient contribution," a senior Japanese banker said.

The Philippines had been seeking pledges of about \$1 billion in new commercial credits, but so far has been able to raise around \$620 million.

The delegation, led by new finance secretary Jesus Estanislao, sought to reassure Japanese bankers that the Philippines' economic and debt policy remains on course despite an attempted army coup last month which nearly toppled President Corason Aquino.

"They were upbeat," a Japanese banker said.

The deadline for banks to con-

tribute new money under the Philippines' latest debt plan was extended by one month, until the end of February, because of the coup on Dec 1-7.

Before leaving Manila for Tokyo on Tuesday, Estanislao told reporters his team hoped to secure at least \$750 million in new loans during its four-nation tour.

Delegation members told bankers here they came to Tokyo first because they felt US and European banks would be encouraged to lend more if they saw that their counterparts in Japan had responded favourably.

But several Japanese bankers said they felt they were already doing their fair share. "It is not a question of the Japanese banks," one said. "It is a question of the European and American banks."

He complained about so-called "free-riders" in Europe and America — banks which get the benefits of the Philippines' latest debt plan without enduring any of the costs.

Some Japanese bankers said

they also are a bit worried about the Philippines' economy after the coup, especially its potential impact on foreign investment in the country.

They questioned whether Manila needed a full billion dollars in new loans, saying the target could be seen as running counter to the Philippines' aim of reducing its debt.

Under a debt buy-back programme completed on Jan 3, the Philippines repurchased \$1.34 billion of commercial debt at a 50-per cent discount, using money from official lenders such as the World Bank.

The request for new money and the debt buy-back are the key elements of the country's financial programme to help reduce its \$27-billion debt burden and bridge the government's financing gap.

The Philippine delegation is set to leave Tokyo today for Frankfurt, a banker said. It also plans to visit London and New York.

Meanwhile, China has asked Japanese banks to provide \$2 billion in loans to ease its foreign exchange shortage, the national

daily Asahi Shimbun reported yesterday.

The Bank of China, in making the request, said it wanted to use a stand by credit pledged jointly by 67 Japanese financial institutions five years ago, according to the report.

Under an agreement concluded in July 1985, the Japanese consortium offered to provide loans of up to \$2 billion, repayable in 10 years at an annual interest rate of 0.25 per cent above the London inter-bank offered rate for the first six years and 0.375 per cent above Libor for the remainder, the paper said.

China, however, has refrained from using the fund, the paper said.

The agreement is due to expire in July this year, it said. China's foreign exchange reserves have fallen sharply since the military crackdown on the pro-democracy movement in Beijing last June and now are estimated at about 7.8 billion, down from \$14.186 billion at the end of last September and down from \$18 billion in 1988, the paper said.

Inflation has stabilised, says Major

LONDON, Jan 13, (Reuters): Britain's inflation rate, one of the highest in Western Europe, has stabilised but interest rates will remain high until it begins to fall, Chancellor of the Exchequer John Major said yesterday.

Major was speaking at a meeting of the National Economic Development Council (NEDC), a forum grouping business, union and government officials set up in 1982 to consider economic issues.

NEDC director general Walter Eltis quoted the chancellor as saying: "Underlying inflation appeared to have stabilised." He told a news conference that Major did not say when inflation would begin to fall.

Inflation has remained stubbornly high despite government attempts to cool the economy by raising bank base interest rates, which currently stand at 15 per cent, double what they were in mid-1988.

The annual inflation rate rose to a four-month high of 7.7 per cent in November, the latest figure available. The government aims to reduce it gradually to 5.75 per cent by the final quarter of this year.

Business and union representatives, fearing high interest rates could tip the economy into recession, pressed Major at the meeting to cut the cost of borrowing.

But the Governor of the Bank of England, Robin Leigh-Pemberton, told the meeting that, if necessary, interest rates should be raised further to bring down inflation.



Traders look concerned as they watch the Dow Jones industrial average fall 71.46 points to close at 2,689.21 at the New York Stock Exchange. (Reuters wirephoto)

Retail sales rise

Bleak US economic numbers hit stocks

WASHINGTON, Jan 13, (Reuters): Several bleak end-of-the-year reports yesterday raised the worrying prospect of economic weakness combined with higher inflation in the US economy, hitting Wall Street shares.

The Labour Department reported that prices at the wholesale level were up a sharp 0.7 per cent in December after a 0.1 per cent drop in November, a jump that took analysts by surprise.

The higher-than-expected price figure combined with steep market declines in London and Tokyo to push Wall Street stocks down. At 2:40 pm the Dow Jones industrial average was down 70.40 points at 2,690.27.

The dollar fell to 1.6775 West German marks from 1.6805 at Thursday's close.

In a separate report, the Commerce Department said retail sales rose by 0.2 per cent in December to \$144.44 billion after a revised rise of 0.5 per cent in November.

For 1989, retail sales rose 5.0 per cent after a 7.1 per cent gain in 1988, the department said, the smallest annual increase since 1982, when retail sales rose 2.9 per cent.

"The picture presented by these data is one of stagnation," said Allan Sinai, chief economist for Boston Co. and Economic Advisors Inc., referring to the phenomenon of anemic consumer demand

side by side with rising prices. The December gain lifted the producer price index to an increase of 4.8 per cent for 1989, compared with a 4.0 per cent rise in the previous year, the department said.

Wall Street economists had forecast a gain of 0.5 per cent for December. The index measures the average price producers pay for commodities and equipment at all stages of production and is an indication of future prices at the retail level.

"This was disturbingly high," Sinai said, "but it comes against a backdrop of a very weak overall economy. I do think in time the inflation will moderate and stagnation won't be long-lasting."

Other economists said the figures show that inflation remains a stubborn problem in the US economy, dimming hopes the Federal Reserve will push down interest rates.

"The underlying trends in inflation show no evidence of any decline," said Charles Lieberman, director of financial market research at Manufacturers Hanover Securities Corp.

US commercial banks, responding to months of gradual Fed easing, this week cut their prime lending rate half a percentage point to 10 per cent. The prime is used as a benchmark for interest rates on many loans to small- and medium-sized businesses and to consumers.

Big drop in Tokyo sends markets tumbling

Soaring rates worry investors

WASHINGTON, Jan 13, (AP): The biggest decline in more than two years on the Tokyo Stock Exchange sent a chill through London and Wall Street yesterday as investors reacted to growing concern about inflation and higher interest rates.

The chain reaction also demonstrated that tremors in Tokyo's financial markets can have big repercussions overseas — especially in the United States — because Japan is the world's largest creditor.

"Maybe this is the first example that our dependence of capital is making us catch cold when someone sneezes," said Robert Brusca, chief financial economist at Nikko Securities Co. International Inc. in New York.

A big drop in Japanese government bond prices and weakness in the yen sent share prices tumbling in Tokyo yesterday. The Nikkei Average of 225 stocks plummeted 653.36 points, the biggest one-day point decline since a loss of 731.91 points on Nov 10, 1987.

In the first seven sessions of the New Year, the index has lost almost 1,400 points, or 3.7 per cent.

Later, stocks fell sharply in London with the FTSE 100 share index falling 37.8 points to 2,380.1, the biggest drop in seven weeks.

The selloff continued in New York, where the Dow Jones industrial average plunged 71.46 points, or 2.59 per cent, to 2,689.21. It was the biggest point drop since last October's mini-crash, which knocked 190.58 points off the average, and the 13th biggest ever.

The weakness of the yen and expectations that Japan's interest rates will have to go still higher to make the currency more attractive have hurt bonds and stocks, Tokyo analysts said. Bank of Japan Governor Yasuichi

Mieno helped accelerate the fall yesterday by saying the yen's weakness could boost inflation by raising the prices of imported fuel and raw materials.

"The market started falling as players realised that a higher yen and lower interest rates, the keys to last year's booming market, won't come true," said Hironobu Hasegawa, a securities analyst with Nippon Life Insurance Co. in Tokyo.

There was more bad inflation news in the United States yesterday with the report that the producer price index rose 0.7 per cent in December. That brought inflation at the wholesale level to 4.8 per cent in 1989, the highest since 1980.

David H. Resler, chief economist at Nomura Securities International Inc. in New York, said any rise in inflation should be short-lived, stemming mainly from cold-induced runups in the price of oil and produce.

A more serious problem for the US stock and bond market is that they are less attractive today to international investors, Resler said.

Interest rates have risen recently in Europe as well as Japan because of a perception that inflation is increasing. Higher rates abroad could force a similar move in the United States because of the need to attract foreign capital to finance the country's large deficits.

Nikko's Brusca said yields on 10-year US Treasury bonds now are only about 1.85 percentage points higher than yields on 10-year Japanese government bonds. That's one of the smallest differentials of the past decade since one from a margin of more than 4 percentage points early in 1989, he said.

China's industrial output dips

BEIJING, Jan 13, (AP): China's industrial output rose 6.8 per cent in 1989 compared to the previous year, a sharp decline from the 17.7 per cent growth registered in 1988. The State Statistical Bureau, quoted by Chinese dailies today, said industrial production reached 1.296 trillion yuan (\$276 billion) last year.

The decline in growth was attributed to a tough austerity policy inaugurated in September 1988 that began taking a serious toll on the economy in the second half of 1989. The bureau said third-quarter industrial output was up only 5.4 per cent from the previous year, and fourth-quarter growth had fallen to 0.7 per cent.

In October output fell by 2.1 per cent for the first monthly decline in the past decade of economic reforms. The austerity policy, designed to cool off the overheated economy and bring down inflation, has left thousands of factories without funds for investment and payment of bills, stunted demand and contributed to a growing unemployment problem.

Government spokesman, Yuan Mu said at a news con-

ference yesterday the economy was basically in good shape, with a bumper grain harvest, increases in foreign exchange reserves and bank savings, and a steady decline in the inflation rate.

He quoted Ministry of Foreign Economic Relations and Trade figures showing exports for 1989 up 6.5 per cent to \$43.28 billion and imports declining by 3.9 per cent to \$38.38 billion.

But Yuan acknowledged there were "temporary difficulties in the course of advancing economic restructuring, unemployment and a continued weak market."

Yuan said that in some large cities 3 per cent to 4 per cent of enterprises have stopped production because of lack of funds, raw materials or markets, while in some places up to 7 per cent to 8 per cent of factories have closed down. The statistical bureau said state-run heavy industry, which has been shielded from part of the economic slowdown by government subsidies, produced 64.2 billion yuan (\$137.5 billion) in goods last year, up 7.4 per cent. That compared to a 16.4 per cent increase in 1988.

Western business storms East Europe on road strewn with pitfalls

LONDON, Jan 13, (Reuters): Western businessmen are rushing to East Europe in the hope of capturing lucrative new markets as reformist policy-makers chip away at 40 years of barriers to foreign investment.

But Western companies are finding the newly opened road to the East can be strewn with obstacles.

Draft laws to promote joint-ventures for the first time in East German have been criticised by West German business as "half-hearted" and fall far short of expectations generated by the dramatic downfall of the Honecker regime last year.

And even though Hungary and Poland have thrown their borders open to free enterprise, economists warn that four decades of Stalinist central planning have left East bloc nations poorly placed to respond to the demands of Western industry.

"The legal problems can usually be overcome," said Ralph Land, general manager of Rank Xerox's East European export operations in London.

"The real problems stem from the system of centrally planned economies... and that is most acute in the Soviet Union."

The revolution of 1989 overturning the post-war communist order has unleashed a wave of investment as US, Japanese and Western European firms compete for a foothold in a market of 390 million citizens, 70 million more than the European Economic Community.

The rush of joint-ventures now being established — there are now more than 1,000 each in Hungary and the Soviet Union — range from the high profile multinationals to international accounting firms and private

entrepreneurs. Japan's Suzuki Motor Company grabbed the headlines this week by announcing plans to build a \$140 million car plant in Hungary. But Suzuki is just one of the world's major car makers sounding out the East bloc and Italy's Fiat has already signed a deal to invest \$1.4 billion in the Soviet Union.

On the face of it, joint-ventures serve both East and West.

For the struggling economies of the Eastern bloc, foreign investment is a key part of a strategy to embrace the free market philosophy and secure sorely needed Western expertise.

For Western business, the chance to break into new markets starved of consumer goods and high technology is too promising to pass up. The labour force is mostly cheap and well-educated. But in practice, a conflict of interests

often arises with Western firms looking to sell products in East bloc markets and their partners wanting to earn hard currency through exports.

Although cheap labour may make that viable, productivity is usually far lower than in the export assembly plants of Asia.

Economists believe legal impediments will be cut, partly as the west steps up pressure for liberalisation and partly as East bloc nations vie with each other to attract capital.

"East Bloc states are responding," said Jan Vanous, research director at consultants Planecon Inc. in Washington. "I expect there will be a lot of rewriting of the law books as nations try to keep up with each other."

Hungary, which first allowed a venture with foreign investors as long ago as 1972, and Poland are at the forefront of the campaign to remove barriers to

ventures, while Bulgaria — a "dark horse," says Land — offers investors several incentives.

Economists expect the Soviet Union, where joint ventures have a track record of legal and practical problems, could soon bow to pressure from Western business to streamline rules.

Attention is now focusing on Czechoslovakia and East Germany, both drafting new legal frameworks for ventures.

But West German firms, queuing up to do business across the border and fighting for stands at the Leipzig trade fair in March, have reacted with dismay at draft legislation on joint-ventures proposed by the new East German government.

The new law, to be discussed in the East German Parliament on Thursday or Friday, would limit a foreign stake in ventures to just 49 per cent — a much

hated rule no longer applied in Hungary or Poland and also now abolished in the Soviet Union.

Economists say the new East German administration is worried that cash-rich West German companies will buy up the nation. But the West German Association of Chambers of Commerce this week labelled the draft legislation a half-hearted solution.

Bonn officials, worried the "old wind" of central planning is still blowing, are expected to push a more liberal rule when Economy Minister Christa Luft visits West Germany next week.

"Joint-ventures are very much in vogue at the moment and attracting a great deal of attention from Western businessmen," said Malcolm Magee-Brown, a senior manager working on ventures and project finance at Moscow Narodny Bank in London.

مكتبة الأمل

VARIETY

Trucks becoming as cozy as bungalows

DES MOINES, Iowa, (AP): The long-haul trucker's lament of being lonesome and a long way from home is sounding a little less plaintive now that trucks are becoming nearly as cozy as a suburban bungalow.

Thanks to a change in federal regulations several years ago that allowed bigger trucks to travel the highways, truck tractors have enough room to include showers, spacious beds, chandeliers and microwave ovens.

"You can just about put anything you want in

there," said Steve Bombela of United Truck and Body in Des Moines, which makes cabs and customizes trucks.

Steve Blunt, 37, president of Steve Blunt Trucking Inc. of Des Moines, owns "The Bird," a 70-foot (21-metre) Kenworth Aerodyne rig that includes a tractor and a trailer.

He spent \$70,000—enough to buy a whole house in most cities—getting it just the way he wanted it. It is painted with two, 17-foot (5-metre), air-brushed blue "firebirds" on the tractor. The sleeper has

a bath with shower, foldaway tables, a central vacuuming system and a kitchen with sink, two-burner stove, microwave and customized cabinets. There are refrigerators in the cab and the sleeper.

The sleeping compartment for two has a 15-inch (38-centimetre) remote control colour television, a VCR and a cellular telephone.

A stereo system with 28 speakers provides cruising music.

He likes the shower best. More husband-and-wife teams are buying the big

cabs since trucks became commodious, according to Kenworth Mid-Iowa in Des Moines. About 10 per cent of the company's business is in the big Kenworth Aerodyne.

The cab with sleeping unit costs \$90,000 to \$100,000, without extras, and is about the fanciest sold. It also is the largest, measuring 110 inches by 96 inches (280 centimetre by 244 centimetres).

Bombela said his deluxe cabs and sleepers cost about \$25,000.

Deluge of data from the heavens

GREENBELT, Maryland, (AP): After 10 years of focusing on shuttles, the US space programme plans to launch this decade, creating a deluge of information that's never been studied.

The United States will gather as much information in the next three years as it collected in the previous 25 years, said James Green, director of the National Space Science and Technology Center at Goddard Space Flight Centre.

The volume will double every two years after that, with a virtual information explosion in 1996 from the Earth observing system.

EOS is expected to transmit more data in 30 hours than is already stored from 25 years of space travel. Before EOS, the next three years should see the launch of the cosmic background explorer, the Galileo mission to Jupiter, the Hubble space telescope, gamma ray observatory, Ulysses mission to the sun, the Mars Observer and the Topex poseidon ocean-sensing satellite.

Scientists hope EOS will yield data to solve such threats to the earth's survival as global warming and the thinning of the protective ozone layer.

The critical question is whether it will be in a form they can use.

Industry hasn't developed hardware or software to serve the demands of disciplines as diverse as anthropology, zoology and atmospheric physics.

It has been up to government scientists to pioneer solutions that have put the National Aeronautics and Space Administration, NASA, at the cutting edge, but still short of making computerized data easily available.

Observers say part of the problem lies with NASA itself. The agency traditionally has been willing to cut funds for archiving data if it ran short of money when launching a space mission. It is undergoing a change in focus, too, moving from an era of general space exploration to one of information gathering—and funding for that lags.

In the fiscal 1990 budget, the data centre received \$4.7 million for managing, archiving and distributing data, up from the 1989 budget allocation of \$3.2 million. By comparison, NASA's entire 1990 budget was \$12.5 billion.

Green likens the data analysis and management after a space launch to the "last puppy that comes to supper—if there's too many puppies, there's not much left." But while he agreed his area frequently gets short shrift, he said funding increases show the agency is moving in the right direction.

"The thing is you don't put the space probes up there and say, 'said David Dickerson, an aide to congressman Bill Nelson, chairman of the House space science subcommittee. "The distance they travel is not what's important. It's the information they send back. They're going to have to put in place a record of thought and resources to that."

Alan Robock, a University of Maryland meteorologist who is testing NASA techniques for improving accessibility to data, said the fault isn't just with the space agency. "Computers and data are not nearly as sexy," they're harder to sell to Congress.

William Campbell, a NASA artificial intelligence expert, is developing techniques to build intelligence into the data gathering. Increasingly, fast and accurate instruments can gather data faster than anyone can analyze or catalogue it, Campbell said. "It's not just the volume, it's the complexity."

He and other NASA scientists believe they are on the brink of developing systems that would put the data in usable form almost from the time instruments capture it in space by analyzing it with the users' needs in mind.

"The idea is to build intelligence into the whole system from the back end to the user," he said. "This is a whole new way of thinking about the problem. I contend it is the only hope."

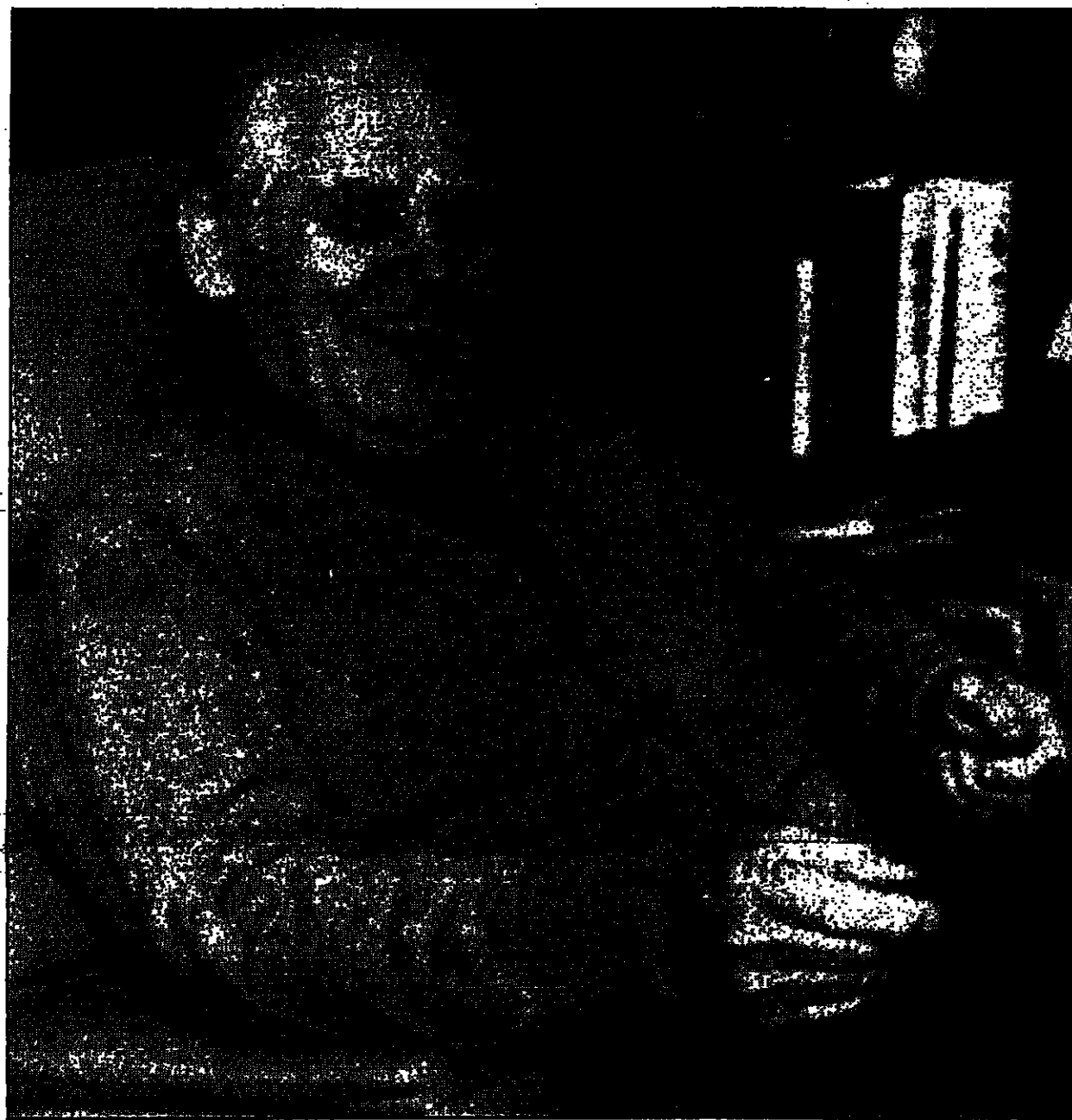
In the five years since Green took over, the space science data centre has gone from being a "tape landfill" to concentrating on data accessibility. But as it struggles toward answers to the pending data deluge, it is burdened with catching up from years of neglect.

Of approximately 80,000 magnetic tapes dating to the early 1960s that are in a climate-controlled federal warehouse in Suitland, about half need to be restored, said Robert McGuire, who heads the project. About 9,000 have been restored since the effort began in July 1988.

Under Green, the centre's goals shifted from storage to accessibility, and he said it now handles 6,000 requests a year—up from 2,000 five years ago—using new computer networks to universities and research centres, electronic mail, and the postal service.

Red at heart Hall isn't worried

Communism's collapse greatly exaggerated



Gus Hall: avowed communist

NEW YORK, (Reuters): Communism may be battered and bruised around the world, perhaps even dying, but here in the heart of capitalism sits a dedicated, card-carrying communist leader who isn't worried.

In his office, near his bicycle exerciser, portrait of Lenin, busts of Marx and Engels, a telephone he assumes is tapped and a colour photograph of himself with Mikhail Gorbachev, Gus Hall says reports of communism's collapse have been grossly exaggerated. He calls it "the new big lie."

White-haired, friendly, 79-year-old Hall has led the US Communist Party for 30 years, which is more years than he can remember. He literally taps his head trying to come up with the year he took over, but can't do it because it has been so long.

"I am sure it was two or three years after I got out of jail. I've been told that I am the longest-serving Communist Party head anywhere," he says with a shrug about leading the 20,000-member American Communist Party.

Party ranks have been decimated for decades by the cold war, twists in Soviet policy, harassment by the Federal Bureau of Investigation (FBI) and a strong US economy. The new crisis in communism also does not help.

But Hall is not worried about the future of a cause to which he has dedicated his life, including spending eight years in jail for conspiring to teach the overthrow of the US government, a charge he dismisses with the wave of a grandfatherly hand.

"The new big lie is the death of communism. The Bush administration operates on the theory that communism and socialism is dead, that's because nobody believes that the Soviet Union is an evil empire any more," he told Reuters in an interview at New York's Communist Party headquarters.

He thinks the street demonstrations that have toppled communist leaders all over Eastern Europe are only temporary. He says they came because East Europe's leaders lost touch with the masses and not because communism can't work.

"I was surprised by the lack of democracy and the style of leadership. It surprised me that they were not in touch with their members and had no idea of the feelings of the people."

"My overall assessment is that what is going on is a step backward on a short-term basis but a step forward in the long term. What is happening will build a better socialism."

Hall and his Communist Party have long been dismissed by Americans as slavish followers of a party line dictated by Moscow. The Wall Street Journal asked its readers the other day the difference between the party and the Brooklyn Bridge, saying that both were supported by cables.

But Hall rejects the criticism, saying he has spoken out to right wrongs, and recounts with pride a tiff he had with the late Romanian despot Nicolae Ceausescu at a banquet in Bucharest. Ceausescu was so annoyed that he refused to give Hall the presents of Romanian art he had lined up for him.

"He was not a communist leader. He acted like a king. He used to always have a valet at his side at party conferences."

Nor is Hall that happy with how the Soviet Union is re-examining and rejecting its Stalinist past. "How often can you dig old Joe's bones up. You have to look at yourselves," he says of a tendency to blame Stalin for everything wrong with Soviet-style socialism.

But he likes Gorbachev and says that perestroika and glasnost were as inevitable in the Soviet Union as the collapse of capitalism is in the West. Hall says he has given no thought to retiring, adding, "these are interesting times, especially for communists."

"The only reason I won't see communism come to America in my lifetime is because of my age," Hall added.

Old-style English trade Butler to the rescue

HONG KONG, (Reuters): Ivor Spencer is that quintessentially English phenomenon, a butler. But Spencer—quietly spoken, ingenious—is no ordinary butler.

He is a king amongst butlers and has his own school in London to teach the unusual art. That's not all. Like the fictional ideal gentleman's gentleman—P.G. Wodehouse's Manservant Jeeves—Spencer is never short of imaginative ideas.

On a recent trip to Hong Kong he explained a project that might have made Jeeves' bumbling upper-class boss Bertie Wooster drop his monocle.

It is set in the teeming streets of the British colony, capitalist home to more than five million, which is due to be handed back to communist China in less than eight years time.

Thousands are desperate to escape, especially since last June when Chinese troops crushed student-led pro-democracy demonstrations in and around Beijing's Tiananmen Square.

Enter Spencer, 57, who helps a selected few get out.

He trains them in various skills—such as how to carry bottles of champagne on silver trays and iron newspapers so that readers avoid getting ink fingers—to enable them get jobs as butlers abroad.

Butlering—especially old-style English butlering—is in demand and is such an unusual skill that there is not usually much trouble getting a working visa to go abroad.

"After Tiananmen Square we had so many calls and letters from Hong Kong about the course," said Spencer in an interview in a plush Hong Kong hotel. "But I didn't realise until I got here their actual feelings. They are very scared and very worried and I would certainly like to help them."

Out of the original inquiries, Spencer—who is as accomplished at dealing with the media as at mixing a dry martini—chose 20 applicants

for interview. Among these were a doctor, a banker, a pilot and a stockbroker.

Being the son of discretion, Spencer would not identify the applicants but said the doctor was a general practitioner who feared it would be difficult to get another passport.

A spokesman for the Canadian consulate here—Canada is a favourite destination for Hong Kong Chinese—said that for immigration purposes a butler would be classed as a domestic servant, and there was considerable demand for servants in Canada.

After two years working in Canada a butler would be eligible to apply for landed immigrant status, he said.

Spencer stresses he does not guarantee trainees will find a job or get a work visa, but he sways the chances are good.

The classification "domestic servant" is anathema to him. "The modern butler is more a manager—it is all about running someone's household in great style," he says.

Would-be butlers, who pay £3,000 (\$4,800) for his seven-week course, learn everything from keeping the household accounts to how to book a round-the-world cruise.

Spencer's graduates are working at several royal homes in England and the likes of media barons Rupert Murdoch and Robert Maxwell employ Spencer alumni to lay out their pyjamas.

In the United States, butlers can expect to earn between \$35,000 and \$55,000 a year, with medical care, a car, food and accommodation often included.

"It is a fascinating job but very demanding—no room for clock-watchers, especially in America," he says. "You become a confidante and friend."

Before World War Two there were more than 30,000 butlers in England but now there are only 70. Spencer

estimates. Perhaps because of their rarity, most people nowadays have no idea of how to deal with a butler, which is why Spencer also runs brief courses for employers.

"There were a couple of rich Americans from Dallas who were going to take one of my butlers," said Spencer. "They were arguing and the woman was saying she was sure you tipped the butler after every meal. 'No, no,' said the man, 'you only tip him after dinner at night.'"

Spencer had to explain you never tip a butler.

For Americans particularly, he says, an English butler is a status symbol.

Although Spencer trains modern "butler-administrators," the essential service is traditional. "In the morning you lay out your employer's clothes and run the bath," he says.

Would he, like Jeeves, object to a loud Bertie Wooster-style waistcoat? "We do, by suggestion, often get our way," was the reply.

"You may find that a rich Oklahoma oil millionaire is used to coming down to dinner in his jeans and hat," he said, "but we generally find that after a week he is wearing black tie to dinner at least once a week."

Spencer has come a long way from his roots in working-class east London. As well as teaching and organising private parties he is a toastmaster in great demand for glittering London galas.

Along the way he has acquired a taste for the good life and now wears impeccably tailored suits and hand-made shoes and shirts. He has even thought about employing his own butler at his home in Dulwich, south London.

It would serve the dual purpose of giving a trainee some experience and taking a load off his wife, Estella.

But Estella is not yet ready for that.

"Too grand for us," she says. "What would the neighbours say?"



Ellen Barkin and Al Pacino in 'Sea of Love.'



Samantha Bond and Daisuke Ryu in 'The Ginger Tree.'

Video scene

Al Pacino is back in form

Sea of Love

By Shaun Seekins

IN only his second film since 1983's "Scarface," Al Pacino, according to Harold Becker, the director of *Sea of Love*, "back in marvellous form." The plot has a lonely, jaded, alcoholic New York cop (Pacino) going undercover to investigate a series of killings of single men who place personal ads in a magazine. But he finds himself falling in love with one of the main suspects (Barkin).

Pacino has spent the last several years recharging his career in live theatre, notably in a New York production of Shakespeare's "Julius Caesar." Not only does Becker praise his star's "vitality, charisma, and romantic quality," but he also remarks that, pictures like "The Godfather," "Serpico" and "Dog Day Afternoon" cast such a long shadow that the audience is ready and waiting to see Pacino again.

Her leading man's renown did not overwhelm Ellen Barkin (The Big Easy, Diner and Tender Mercies), who is rapidly becoming a well known screen presence in her own right. The erotic chemistry between the two leads of *Sea of Love* is evident, "it's an either or thing" Becker says of the sparks every director hopes his romantic leads will generate together.

Erik The Viking has a major failing in that it isn't particularly funny, a shortcoming generally agreed to be something of a drawback for comedy films.

There are, however, moments that are amusing (Japanese actor Tsutomu Sekine's brief appearance as a slave-driver, for example) and somewhere lurking there are some laughs struggling to get out.

The story chronicles the adventures of Eric (Tim Robbins), a viking who has decided there is more to life than rape and pillage. In his quest to end the era

of fighting and killing, his journey takes him to Valhalla where the gods are all 10 years old and not at all inclined to help.

The Dawning is a very powerful film, and with stars like Anthony Hopkins, Trevor Howard and Jean Simmons the acting leaves nothing to be desired. Set in southern Ireland in 1920 this is a coming of age story about an 18-year-old girl who is as confused about her past as her future. Living in a crumbling mansion with her equally crumbling grandfather and aunt she romanticises about her missing father and the juvenile object of her first crush. When she discovers a stranger in her beach hut, she first believes that it is her father until he confesses that he is a fugitive. Sensitive without being mushy, it is an excellent drama.

The Ginger Tree is a new mini-series adapted from the best-selling novel by Oswald Wynd. It tells the story of Mary Mackenzie (Samantha Bond) a young woman who goes to the Far East in 1909 to marry and English army officer. The unhappy marriage leads Mary to have an affair in China with a Japanese officer, Count Kurihama (played by Japanese actor Daisuke Ryu). When she becomes pregnant her husband disowns her and has her brought to Japan. The story then follows her 30-year struggle to survive in Japan.

The new Burt Reynolds crime-comedy *Breaking In* has just been released. Back To The Future II, Harlem Nights and Communion are only available in camera prints, be patient, good copies should be here soon. All the series continue, including at long last *Black Adler Goes Forth*.

The above films by courtesy of the Video Club, Salmiah Tel. 5724372, branches at Farwaniya and Fintas Towers and Video Naut Salmiah.

Toads and frogs dying

Global early warning

WASHINGTON, Jan 13, (Reuters): Toads and frogs are dropping like flies.

Zoologists say that a mysterious, precipitous decline in the amphibian population in some parts of the world raises troubling questions about the future of humans and the environment.

"What we've got here is a global early warning system and that system is the frog," says zoologist Michael Tyler of Australia's University of Adelaide.

To date, the evidence of a huge decline in the world's amphibian population is largely anecdotal, but zoologists say it should not be ignored.

"Amphibians have a perpetually moist skin, and they live both on land and in water, so they are constantly sampling their environment in ways that we don't," says David Wake, an evolutionary biologist at the University of California at Berkeley.

They are going to sense things before we do, and if they're going to go, there's a message there for us," says Wake, former president of the American Society of Naturalists.

If, after further study, it is determined that

the threat to amphibians is only a local problem, or part of some natural cycle, then there is nothing to worry about, says Wake.

However, if instead it is determined that the problem is world-wide, then something must be done, he said.

"Without question something is going on in some places. What we don't know is if it's general. If it is a global phenomenon, this really is an important discovery," he said.

At Wake's suggestion, the US National Academy of Sciences in Washington has decided to sponsor a conference on the phenomenon next month in Irvine, California.

The goal of the meeting, which is to be chaired by Wake, is to determine if there is a problem and, if so, what to do about it, said national academy staff member Donna Gerardi.

A decade ago, when he walked through the meadows of the High Sierras—a craggy mountain range that runs along the California-Nevada border—"it used to be from heaven," Wake recalled in a telephone interview. "They were so thick on the ground you would step on them."

"Now they are almost absent from the area," he said.

He found a similar decline in salamander and toad populations on a recent visit to Costa Rica's Monte Verde rain forest, raising suspicions that the problem was widespread.

It was then that he started a "frog log" in his computer.

When his concerns began to circulate in zoological circles, phone calls and letters started pouring in. Across far reporting dwindling or disappearing amphibian populations include Denmark, Hungary, southern Ontario in Canada as well as southern California and Australia, Wake said.

Along Australia's east coast alone about 20 different amphibian species have been affected "and some have disappeared entirely," Tyler said in a telephone interview.

In Australia, New Zealand and New Guinea "a large number of species have either disappeared totally or have disappeared from a large part of their range," Tyler added.

Embassy corner

1. Who can marry?
Any male or female of the age of 18 years or upwards may contract marriage.
2. Where is the venue of marriage?
It is either inside or outside the embassy.
If both contracting parties are Filipinos, they have two options:
(a) Inside the embassy, in which case the marriage ceremonies shall be solemnized by the consular officer. In Kuwait, it is Consul-General Palala or
(b) Outside the embassy, like the Roman Catholic Church or Ministry of Justice, in which case the marriage shall be celebrated by the concerned solemnizing officer.
3. How do you get married?
(a) Fill up an application form for a certificate of legal capacity to contract marriage (Marriage License) at the Consular Section of the Philippine Embassy.
(b) Submit a joint-affidavit executed by both parents stating that the applicant is single or possesses no legal impediment to contract marriage as set forth by Philippine laws. This joint-affidavit must be: (1) fully notarized by the Notary Public. There is a common misconception that an affidavit of parental consent is sufficient for this purpose. However, since most of the parties are already of legal age, such parental consent is no longer necessary. What is required by the embassy is for the parents to state categorically the single status of their son or daughter; (2) duly certified by the Clerk of Court in the Office of the Executive Judge of the District where the Notary Public has obtained his Notary Commission; (3) authenticated by the Office of the President; and later (4) authenticated by the Authentication Division of Department of Foreign Affairs. In case one of the parents is already dead, such fact of death should be stated in the said affidavit and a death certificate should be attached therewith. In case both parents are deceased, an affidavit which shall state such fact, will be executed by the applicant's brothers and sisters, together with copy of death certificates of both parents, and the birth certificate of the applicant. In case the applicant is a widow or widower, he or she shall submit a copy of the death certificate of the deceased spouse, together with her parents' or relatives' joint affidavit of single status.

After submission of this authenticated document and payment of the required consular fees, the embassy will now issue the Certificate of Legal Capacity to Contract Marriage, or what is commonly known as the Marriage License.

If both parties are Filipinos, the embassy will issue 2 Certificates/Licenses. If only one party is a Filipino, the embassy will issue only one Certificate/License. The other party, who is a foreigner, will be required to obtain the required document from his own embassy or consulate.

(c) Request to schedule the date of marriage and provide the embassy with the names of at least 2 witnesses.

(d) Appear personally before the consular officer, on the scheduled date of marriage and declare in the presence of not less than 2 witnesses of legal age, that they take each other as husband and wife.

Thereafter, the contracting parties and their witnesses shall affix their signatures on the Marriage Contract and other pertinent documents.

4. How much are the required consular fees?
(a) If both parties want to be married at the Philippine embassy, they will pay the following:

- 1) two sworn applications for Certificate of Legal Capacity at KD6,500 each — KD13,000
 - 2) two certificates of Legal Capacity/Licenses at KD6,500 each — KD13,000
 - 3) solemnization fee — KD17,000
 - Total — KD43,000
- (b) If both parties want to be married outside the embassy, they will pay the following:
- 1) two sworn applications for Certificate of Legal Capacity at KD6,500 each — KD13,000
 - 2) two certificates of Legal Capacity/Licenses at KD6,500 each — KD13,000
 - Total — KD26,000

- (c) If the applicant is only one Filipino party, he or she shall pay the following:
- 1) one sworn application for Certificate of Legal Capacity — KD6,500
 - 2) one certificate/license — KD6,500
 - Total — KD13,000

Other questions on marriage:

1. What is the nature of status of marriage?
It is the union of one man with one woman for the reciprocal blessings of a domestic home life, and for the birth, rearing and education of children. The Family Code of the Philippines contemplates only a monogamous marriage. Under the Muslim Code (P.D. No. 1083, also called the Code of Muslim Laws of the Philippines, and declared effective as of 04 February 1977), marriage has a different concept in that a Muslim can have as many as four wives at a time, provided he can give them equal companionship and equal treatment.
2. Can a marriage by proxy (one where the other party is merely represented by a delegate or friend) be considered valid?
(a) If performed in the Philippines, or in any Philippine embassy or consulate, the marriage is void because physical presence of both parties is required.
(b) If performed abroad, whether between Filipinos or between a Filipino and a foreigner, the rule is that, if such marriage is valid as such in the country where it is celebrated, it should be considered as valid in the Philippines, without prejudice to any restrictions that may be imposed by Philippine immigration laws.

3. If a man and woman were validly married in the Philippines and subsequently obtained absolute divorce from a foreign country which allows divorce, is such divorce recognised under Philippine law?
No, because under the Philippine Civil Code, absolute divorce is prohibited.
An exception to this is a marriage between Muslim Filipinos under Muslim rites. This exception does not apply to converted Muslims.
4. In case a Filipino citizen and a foreigner were validly married, and a divorce was thereafter validly obtained abroad by the alien spouse capacitating him or her to remarry, could the Filipino spouse remarry?
Yes, for two reasons:
(a) To avoid the absurd situation wherein a Filipino is considered still married to his or her alien spouse, although the latter is no longer married to the Filipino spouse because the alien had obtained divorce abroad which is recognised by his or her national law; and
(b) To solve the problem of many Filipino women who, under the old law, are still considered married to their alien husbands even after the latter have already validly divorced them under their national laws and perhaps, have already married again.

5. How can a marriage contract, executed in the Philippines, be authenticated? How about if the marriage contract is executed in Kuwait?
If the marriage contract is executed in the Philippines:
(a) Have it duly registered with the Office of the Local Civil Registrar of the city or municipality where the marriage is celebrated.
(b) Have it authenticated, in chronological order, with the following government agencies:
1) Office of the Civil Registrar-General, National Census and Statistics Office, Sta. Mesa, Manila
2) Authentication Division, Office of the President, Malacanang, Manila
3) Authentication Division, Department of Foreign Affairs, Film Centre Building, Manila

- (c) Present the marriage contract, which was duly authenticated by the above concerned Philippine government agencies, to the Philippine Embassy here for further authentication.
- The authentication fee is KD6,500.

- (d) Finally, have it authenticated with the Authentication Division of the Kuwait Ministry of Foreign Affairs.
- If the marriage contract is executed in Kuwait but outside the Philippine Embassy, the steps are:

- (a) Have it first authenticated with the Authentication Division of the Kuwait Ministry of Foreign Affairs.
 - (b) Present this document to the Philippine Embassy for further authentication.
- The fee is the same as above (KD6,500).
- (c) Have the authenticated document further authenticated by the Authentication Division, Department of Foreign Affairs in Manila, if the purpose to be served is in the Philippines.

Important:
Please note that the embassy will not authenticate a marriage contract executed outside of the embassy if the Filipino contracting party fails to secure or does not have the required Certificate of Legal Capacity to Contract Marriage.

A system that works

BLASTED before it could bloom was the country's image of political stability when a several thousand mutinous soldiers mounted a putsch that sputtered during the first week of December. Now the possibility stares us — some of the private banking institutions already committed to extend new loans for the country's economic recovery programme might just begin to have second thoughts, and that's not the worst that can happen.

Social Security System Administrator Jose L. Cuisia, Jr., a member of the Philippine negotiating team for loans for the economic recovery programme, tries not to look worried.

"The signing is scheduled on January 9th," he says. "They will probably see things normalize by then, so maybe not too many banks will back out. We have at least \$600 million committed. We were hoping we could get it up to \$750 million since there were a number of big banks that have not yet made any commitments. Now it's these banks that may decide not to provide new money and instead opt for a buy-back option. That is what I'm worried about."

The buy-back option means these banks will sell their Philippine debt papers to the Central Bank at a 50 per cent discount. The Central Bank will pay with money obtained from official sources of funds such as the World Bank, the International Monetary Fund (IMF), the Japan Ex-Im Bank, and from the Economic Support Fund that comes from the United States for use of Philippine military bases. It's not a bad deal at all, considering the savings on the principal and the interest, although it's not new money. The Central Bank has already selected papers amounting \$1.312 billion for buy back, but the fund sources have yet to come through.

Cuisia was part of a Philippine team that negotiated in 1989 with a 12-man advisory committee that represented 12 of the country's major creditor banks from various continents. The Philippine team was headed by Finance Secretary Vicente Jayme and Central Bank Governor Jose Fernandez; another member was Philippine National Bank

President Edgardo Espiritu. The negotiations, held in New York, were a drawout affair; preliminary discussions in April, July and August; final negotiations were in September. The Philippine panel timed the negotiations to take place after Mexico started its own negotiation with the same 12-man advisory committee; and they profited from what they learned about the Mexican negotiations. The Mexicans presented a complicated proposal that made discussions tedious; the Philippine panel presented two simple options: new money for buy back.

So in the end, and all in all, what has the Philippines gotten through its negotiators? First, says Administrator Cuisia, there has been that extended fund facility from the IMF of \$1.3 billion — but part of that money will go into buy-back transactions and other debt reduction and debt service reduction arrangements. The World Bank will extend much the same thing: new money as well as debt-reduction. Another component was negotiated with the so-called Paris Club the previous year when Cuisia was not yet a member of the Philippine panel: 14 creditor governments agreed to restructure obligations, both principals and interests, amounting about \$2 billion. That restructuring, according to Cuisia, saved the country something like \$150 million. The third component, where Cuisia was involved as a member of the negotiating team, is the financing from the creditor banks for which \$600 million has been committed.

The funds, of course, will be used for growth and development — to bring up the per capita income to where it was in 1981 by 1992, which means that the country has to achieve a sustained growth of 6.65 per cent every year. "We are also trying to bring down the inflation rate to eight per cent and to ensure that interest rates are stable so that growth could be sustained," he says. Between agriculture and industry, he says, there will be a balanced approach. There will be a great deal of emphasis on infrastructure, and in the development of the power sector. The good news is that there are also foreign investors quite eager

to help the country develop its power generation capacity. But don't say goodbye to blackouts yet — those power ventures are probably long term projects.

His real job, however, is as administrator of the Social Security System, the institution tasked to protect Filipino employees in the private sector and their families against contingencies such as maternity, disability, sickness, old age and death. If you go by the statistics of increased benefits for Filipino workers, then you have to allow that he is doing an outstanding job here. Since he came into the system, minimum pensions have gone up from P120 to P500. Pensions at all other levels have also markedly increased. The benefits and salary loans as well as calamity loans have also substantially increased. Maximum salary loan used to be P1,000; now it's P6,000. Maximum housing loans used to be P100,000; under Cuisia it grew to P300,000. Home repair loans are now up to P100,000.

Those are what SSS members can appreciate.

All these were possible because the System has had a good yield on its investments and looks like it will continue to reap big dividends. This does not, however, mean that the SSS is no longer a conservative investor. "We recognize that these are trust funds," the administrator says, "so we have to be very prudent in our investments. We have gone into stock investments but we do not invest in speculative companies, nor do we lend to companies that are losing money or to companies that do not have a good track record. Yes, we are diversifying our portfolio because we cannot continue to just depend on government facilities as investment outlets to ensure a good yield. We have been able to increase benefits these last three years without increasing the rates of contribution because the earnings have been good."

A number of innovations have also been introduced into the system, pursuing the idea that the SSS should also contribute to economic development. One of these is the P2 billion Industrial Modernization and Expansion Loan Programme (IMELP). As

the name indicates, the programme helps companies that are modernizing and expanding to become more competitive especially in export markets. Five companies in the poultry business, among many others, have availed themselves of this programme. This has, naturally, resulted in the creation of a lot of new jobs. The P2 billion IMELP fund is almost all taken up, and there is a clamour for its increase.

Some SSS members made a little fortune recently by taking advantage of another loan programme, and investing in Philippine National Bank (PNB) stocks. Say they bought 100 shares at the stock market at P170 — that's P17,000 which they borrowed from the SSS and sold at P600, they would have made about P43,000 without using their own money.

This January, Administrator Cuisia hopes that President Aquino will formally launch a livelihood loan programme for SSS members who, to qualify, must be members of a qualified co-operative. "We've also instituted loans for hospitals, educational institutions," he says. "There's that hospital that will be built in San Fernando, Pampanga, a tertiary hospital with over 100 beds for our members in that region. We are financing a medical centre in Cavite. We're giving them 20-year loans. They can't get that from commercial banks."

What could be the most remarkable thing about the SSS today is that it may yet succeed in its role as catalyst for long term industrial financing. Private banks are not able to extend fixed-rate long-term loans. Only the Development Bank of the Philippines and the SSS have been doing that and even the DBP says Cuisia has very limited capacity. He has been calling on his friends in the insurance companies who have long term funds to also lend on a long term basis. But they prefer to invest in short term government securities — it's safer and it gives good yields. "If you look only at the profit angle," Cuisia says, "you can't blame them. But we also believe they have a role to play in economic development. So I'm doing all I can to encourage them to participate in



Jose L. Cuisia Jr.

syndications of long term loans so that Filipino businessmen could enjoy more reasonable rates for long term loans. I feel that the SSS, the DBP and the GSIS should join hands with them to finance big but viable ventures." These could well be heavy industries.

In March 1986 he got a telephone call from then Finance Secretary Jaime Ongpin who wanted to know if he was willing to help the government. "In what capacity?" he asked. Well, Ongpin said, you could help in one of the financial institutions. "Well," he said, "I'm willing to do it for a six-month period." He was then hoping they could find someone to take over after the six months were up. After six months, Ongpin told him they couldn't find anyone. "So I'm still around," he says with a chuckle.

But he may not be able to complete four years in the system by March, 1990 if there is any substance to a lot of coffee shop talk, so accurate when it came to the timing of the latest military push, that he will replace Central Bank Governor Jose Fernandez who will maybe retire early next year when he reaches 65. "Frankly," says Administrator Cuisia in a very serious tone, "I don't look forward to any other government position. My preference is to return to the private sector." The private sector has been good for him. After earning his

MBA in Philadelphia in 1970, he worked for over a year with Arthur Young & Co. in New York (that's where he met his wife, the former Ma. Victoria Jose), then he came back to the Philippines in 1972 to work for Ayala Investments and Development Corporation. (He got married soon after that). He stayed with Ayala until 1980 when he joined the Filinvest Group which assigned him to the Insular Bank of Asia and America (IBAA), becoming its president in April 1984. He left IBAA when it merged with PCIBank in December 1985. He was helping Bankers Trust look into investment possibilities in Philippine banks when he got that call from Jimmy Ongpin.

His weekends are devoted entirely to his family whom he does not see much of during the week. They'd go out swimming or see a movie and then dinner at some restaurant. He has five daughters, four of them in school, the youngest 18 months old.

Early on in life, his father, Jose Sr., impressed on him the value of excellence, and excel he did from kindergarten through college at the De La Salle University where he was consistently at the head of his class and was ROTC corps commander during his junior year, and wherever he went after that. He was TOYM awardee for domestic banking in 1982.

Marquez topbills 'Flavour of the Month'

THE last Joey Marquez starrer, Student Body, was such a hit that an encore is in order. Joey M. is back in another sex comedy, Flavour of the Month, which boasts of 12 leading ladies: Janice Belen, Nadia Montenegro, Cristina (Kris) Gonzales, Olga Miranda, Sheila Ysrael, Michelle Bautista, Bubbles, Anna Unson and Whitney Tyson.

Flavour of the Month tells of the misadventures of a playboy in search of an ideal mate. Along the way, the pabing gets entangled with 12 ladies, thus, one "flavour for each month of the year."

Playing sidekick to Joey M. is Lito Pimentel. Guest stars in the movie are Gabby Concepcion, Anjo Yllana and Alma Moreno,

who tied the knot with Joey M. in Los Angeles, California a few weeks back.

Flavour of the Month is directed by Junn Cabrera based on the script by Oden Amurao.

Dink Cabrera notes that Joey M. was of great help on the set of the movie. "Especially in the scenes where he courts the girls and then tries to extricate himself from some of them," says Junn.

"I guess Joey had a lot of true-to-life experiences in the department," butts in Douglas Quijano, the actor's manager and good friend. Douglas line-produces Flavour of the Month for Regal.

Cabrera earlier directed Joey M. and buddy Richard Gomez in the action-comedy,

Eastwood and Bronson. Direk says that Flavour of the Month, although a sex comedy, is more naughty than erotic, more suggestive than explicit. He feels it's suitable for teenagers, just like the recent Joey M. movie, Student Body.

In 1989, Joey M. appeared in three serious films: Virginia P (where his romance with Alma started), Abandonada and Isang Araw, Walang Diyos. He merited some favourable reviews in some of these films, but Joey M. confesses he is most at home and at his best in comedy. "Maybe because I'm basically a happy person, palabiro sa mga kaibigan," he explains. "Besides, I've had a lot of exposure in comedy, both in movies and television."

Aiko...another Hilda Koronel?

AIKO MELENDEZ admits that her stint in her weekly drama show, Regal Drama Hour, has helped hone her acting talent. And the reason is because she is allowed to portray varied roles.

At her age (she's 13), Aiko can already tackle just about any role assigned to her, and so is often referred to as the "new Hilda Koronel."

Hilda was herself very young when she gained a reputation as a fine dramatic actress. Aiko considers Hilda one of her favourite performers; the other one being Maricel Soriano.

Aiko would not want to excel merely in drama, however, but also in comedy. Thus, she is happy she gets the chance to do Romeo loves Juliet opposite Keempee de Leon. The film likewise stars several of our more popular comedians, such as Pancho Alba, Rene Requiestas, Al Al De Las Alas and Gigi Posadas.

Romeo loves Juliet is Aiko's second movie this year. The first was Isang Araw, Walang Diyos, directed by Peque Gallaga.

Other projects Aiko is currently at work in are Underage, Too and Last Two Minutes.

JOEY MARQUEZ reveals that Alma Moreno didn't believe him when he first suggested to her that they take the matrimonial plunge.

"She thought all the while I was just kidding," Joey gushes. "She also told me that marriage is a serious thing and that I should not take it lightly."

"Since I really meant it when I said I wanted to marry her, I kept repeating it to her. In the end, she obviously discovered that I really was serious with my proposal," Joey continues.

The wedding will definitely take place next month in Los Angeles, California.

RUFFA GUTIERREZ will finally be launched to full stardom in the movie tentatively titled Sor Dolores. No less than Lino Brocka has been assigned to direct it. To top it all, Ruffa will have popular actors Christopher de Leon and Aga Muhlach for her leading men. The movie is based on a script by Raquel Villavicencio.

Ruffa recalls that when her producers, Mother Lily, first told her that she was launching

her to stardom in Sor Dolores, she was absolutely shocked.

Relates Ruffa: "This particular project was offered to me by Mother Lily a year ago. But my mom (Annabelle Rama) felt the role of Sor Dolores was best suited for someone older. It is, you see, about a wild teenager who suddenly decided to become a nun."

"But while on vacation from the convent," Ruffa goes on, "she was raped by somebody she

didn't know. A priest who helped her recover from her trauma eventually falls in love with her. He even offers to leave the priesthood for her."

Fifteen-year-old Ruffa will pay lip service to both Boyet and Aga.

CONGRATS to Donna Villa, who just had her first baby, a boy, who weighed seven pounds at birth.

Donna and her director-husband, Carlo Caparas, will name their first-born, Carlo, Jr.

Carlo and Donna were married in September last year.

SPEAKING of Carlo, he remains the unchallenged Komiks King. Carlo's novel, Rosenda, starring Janice De Belen, was a recent giant hit.

For some years now, Carlo has been inactive as a writer of komiks stories. Most of his works have gone the direct route to films.

Carlo is the writer of five movies being currently filmed by the family-owned movie firm, Golden Lions Films. These are Ayaw Matulog Ng Gabi, Ang Mahiwagang Daigdig, Ni Elias Panilo, Mga Birhen Ng Ermita, Totodasin Ka Si Rambo and Kamandag. Two of these projects, Ayaw Matulog... starring Rudy Fernandez and his wife, Lorna Tolentino, and Ang Mahiwagang... starring Ramon Revilla, have him at the helm.

When asked where he gets the ideas for his stories and movies, Carlo answers: "From my life. Sometimes, I hear one word, and immediately it inspires me to think up a plot. But it has to be a beautiful word that touches the heart (pointing to his heart). Sometimes it is an incident that I witness maybe in the house or on my way to work."

A bit of Nauru in the Philippines

UNTIL the completion of the current tallest building in Makati, the 28-story Pacific Star with its plush office accommodations, the name Nauru hardly meant anything to most people. Now, as owner of the expensive edifice, the Republic of Nauru has a significant, solid statement on its confidence in the future stability and business vigour of the country.

Its investment in the Philippines comes from a long and thorough study of our people and economy, even as the appointed managers of Pacific Star, the Century Properties Management, Inc. is taking time in diligent search of prospective tenants to be recommended to the Nauruan owners. "We're being very careful in screening lease applicants from the Filipino and international business communities," said Jose E.B. Antonio, chairman of Century Properties.

The Nauruans are also quite selective in choosing the centres for their overseas property holdings — they have the biggest hotel in Guam plus residential condominiums in Honolulu and office building in Melbourne, Australia. Their choice of the Philippines bespeaks a quiet but eloquent testimonial to foreign perceptions of the country and its trading stature.

This is in keeping with the culture of the Nauruans, which takes on the very natural ways of the frank, guileless South Pacific islanders. The Republic of Nauru is a small island in the Pacific Ocean six kilometres in length and four kilometres wide — one can comfortably drive around the whole breadth of it in less than half an hour, since the distance is only about 12 miles. Its population, of the 1983 census, has a total of 8,042, made up of 4,964 Nauruans and the rest expatriates, including 223 Filipinos.

However, small though its size and population are, Nauru has an abundance of phosphate deposits, which account for the high per capita income there. Nauruan households customarily own a motor vehicle, sometimes two or three depending on the number of grown-up sons, a refrigerator, radio, video player, and other modern conveniences.

"But the attitude towards such luxury is ingenious rather than pridefully possessive," says an author who visited the place "the general tendency is not to fuss over much or to idolize things that mere money can buy."

The Nauruans have kept their traditional culture, which is closely related to the Polynesians, Micronesians and Melanesians, since well before 1798, when the island was first visited by a white man — Captain John Fearn of the British whaling ship, Hunter. Captain Fearn called the place, which was not on any of his maritime charts, Pleasant Island.

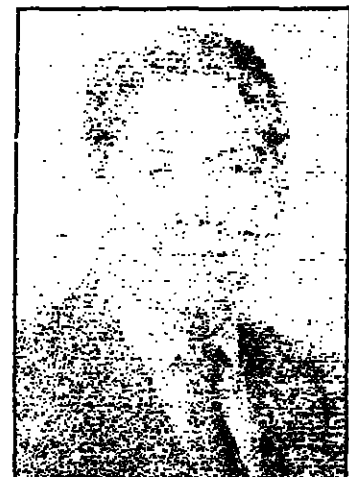
And pleasant is the way of life in Nauru. It has no armed forces, only a civilian police force, and virtually no criminals; its jail serves only to lodge drunken drivers. It does not belong to any international defense pact or treaty.

Medical and dental services are free for all residents of Nauru from two hospitals; there is no private medical practice. In cases where specialised treatment is required, the Republic flies the patient to Australia or New Zealand and may pay the costs of travel.

Residents are also tax-free (from income and sales taxes) except for a minimal customs duty on tobacco and alcoholic beverages. "In food and way of life, we are just like Filipinos," says Consul General Patrick Cooke of the Nauru Consulate in the Philippines.

Their system of government follows the democratic form based on the principles of the elected representatives of the people in Parliament, who elect a President, and of Cabinet accountability to Parliament and independence of the Judiciary.

The Nauruans are either Protestant or Roman Catholic by religion, with a Catholic school in the republic.



Jose E. B. Antonio of Century Properties.



Aiko: following a hard act

مكتبة الأمل

The Blackbelt Brothers

Paolo and Nico

THE sport of taekwondo has reaped a great deal of honor for our country. A pair of homegrown taekwondo-jits have garnered gold medals for the Philippines a few years back in the world championships and the popular Korean martial art has likewise allowed our countryman Dante Pena to earn a bronze medal in this year's staging.

Taekwondo has also produced for the Philippines one of the youngest blackbelts in the world. Andrei Niccolo Borromeo, then a six-year-old Grade one student has traded in his white, yellow, blue, red and brown belts for a prestigious black one early this year. Nico, as he is called casually, has already passed the rigorous tests set by the Philippine Taekwondo Association (PTA) to earn for himself a spot in the elite roster of blackbelts in the country.

Nico is the youngest blackbelt in the country, as far as taekwondo is concerned, but he is just one of the many elementary school kids who have earned the highest rank in the sport. Several youngsters also boast the distinction of being blackbelts and the best among them is Nico's older brother Paolo.

The nine-year-old Paolo emerged as the best player in the kids division when he skipped the Makati squad to the junior's title in the 1989 National Taekwondo championships. Paolo is the very best there is in grade-school competition, and he has been at the top for quite some time now. Starting as a whitebelt at the Goldencrest gym in 1987, he was accelerated to the high-yellow grade, skipping the low-yellow belt, in his first promo examinations at the PTA main gym in Makati. Paolo then set a record by being accelerated two more times to high blue and high-red grades, without going through the low-blue and low-red grades.

"I'm proud to have these two kids," says doting father Alex

Borromeo. "I want them to learn about discipline and veer their interests away from drugs and all bad vices this early, that's why I egged them to take up the sport."

But Paolo and Nico are not flaunting their achievements. In fact, they are well-behaved model students at the Southridge grade school. "They have never figured in flights at school," adds Alex, "but there was one instance when Paolo scared off a campus bully who picked on the little Nico. Paolo taught the big guy a lesson without hurting him."

"The kids have learned to keep their cool all the time. They know that they must not use their fists and feet for aggression. I'm surprised that they have been cool and mature at these ages."

Humility is a virtue that Paolo and Nico surely have inherited from Alex. Looking at the eldest Borromeo, one would not hazard a guess that he is a senior vice-president at the Asian Bank, clad only in a simple company t-shirt and casual trousers when coaching his sons in promotion examinations and competitions.

The two young blackbelts, just like everyday siblings, also have fights between themselves but they limit their quarrels to shouting matches, never utilizing their martial art skills to settle things. "They don't fight with their fists," Alex relates, "they just quarrel by yelling at each other. Nagtutulakan sila, yun na ang pinaka-pisikal, pero di sila nagsumutukan. I'm glad that at their early ages, Paolo and Nico possess the maturity to know when to use force."

Alex had also delved in the sport some years back. He tried out taekwondo just to stretch his muscles and keep fit. But Alex failed to notice any progress so he quit and concentrated on encouraging his kids to go into the sport deeper.

Now, Alex acts as a coach and companion to Nico and Paolo, even resorting to foregoing meetings just to accompany his chil-

dren if they have important bouts. "The kids have lots of energy," Alex describes his sons, "they even display exceptional memory when performing their forms. Kay bata-bata palang nila, buo na ang mga isip."

Nine-year-old Paolo and seven-year-old Nico have brought great joy to Alex Borromeo and his wife Cecille. Paolo and Nico have also done their generous share in promoting the budding sport of taekwondo in the country. Humble and mature as the two young fighters are, they are certainly worthy role models for the kids of today to emulate.



Nine-year-old Paolo Borromeo was adjudged the Best Player in the junior's division at the 1989 National Taekwondo Championships.



Pint-sized Nico Borromeo displays the blackbelt forms in front of much-older spectators.

Cruz' mysterious visitor It's Rachel's turn

TIMMY CRUZ had an experience with ghosts when she was 10. She never knew that their residence in Retiro St., La Loma, Quezon City was haunted.

I used to go to my mother's room every night," she relates, "sometimes to sleep or to say good-night to her. One night, when I opened the door of my mother's room, I saw a lady in white staring at me. She was seated on my mom's bed. I was so scared that I ran back to my room and covered myself with a blanket. After that encounter, I promised myself I would never go to my mom's room again." Timmy related.

But when her mother was told about it, she showed no surprise. "My mom said it was only my imagination," she said. Later, Timmy told one of the domestic helpers about what she saw. "I always see the silhouette of that White Lady. But when I asked our maids about her, they said that lady was my twin sister because, they said, we look alike. That frightened me even more." But of course, she knew that story wasn't true.

One of their household help told Timmy that the White Lady was a spirit guarding their house, "a good spirit."

According to Timmy, it was their maids who saw and felt the presence of that White Lady more than anyone in the family. "They often saw her going down the stairs even in broad daylight or sometimes at night. And the maids often mistake me for her," said the singer.

"You see, I usually go down at night to take a midnight snack. One time, I was in the kitchen preparing something to eat and one of our maids saw someone going up the stairs. She thought it

was me since she had long hair just like mine. When the maid reached the kitchen and saw me there, she was surprised. She said 'What's this? Didn't I see you go up? Why are you back down here?' Of course, I was taken aback. So I told her I hadn't moved a bit from where I was staying so how could I be going upstairs."

"So she told me, 'If it wasn't you whom I saw, who was it?'"

"I don't know, I told her," replied Timmy.

About three or four years ago, Timmy had an encounter with a mangkukulam. She spent a vacation at their family house in Bulacan. She was told that one of their mango trees was being inhabited by a duwende (dwarf). A child once accidentally stepped on the punso (dwarf's mound). After that, the child developed a harelip. No one could explain how that harelip came to be except for that incident with the nuno sa punso.

She was also told that a mangkukulam (witch) lived near their mango plantation, and that was why at times there were lean harvests.

Timmy was so intrigued by what was told her that she vowed she'd see for herself this mangkukulam they are talking about. She rode a horse towards the mountains and found a nipa hut in the middle of a field. "I saw a woman cooking so I moved closer to the house. When I got near and I could see her clearly, she turned suddenly to look at me. I got scared, said Timmy.

She describes her house in Bulacan as "eerie." Timmy relates that she often heard strange noises at night whenever she was there. "It was like someone was bowling with bottles at night. But what is queers is that I seem to be the only one who hears those strange noises, the rest of the household don't hear a thing."

KAY Ganda ng Ating Musika. "Panak ipbutas," "Ikaw at ang Gabi," "Tag-Araw," any pop music buff remembers Hajji Alejandro's golden hits. Today, a new voice has hit the local airwaves — and the voice belongs to Hajji's little girl, Rachel. At 15, Rachel has struck a hit in the song, "Mr. Cupido," which now has colegialas and tots alike humming along.

Being the daughter of Hajji Alejandro hasn't given her much of an advantage, Rachel says. The Filipino music scene demands much of its artists, mainly that they ooze with talent to be able to compete with foreign Top 40 singers. Rachel's one edge is having inherited her father's fans. The early 70s saw Hajji's rise to popularity as the kilabot ng mga colegiala. Thus Rachel can count on fans in their 20s or 30s.

At 12, she asked her parents if she could join the glitzy showbiz world. Their condition then was that she steer clear of the movies and stick to singing. That she did.

Rachel often guested at German Moreno's "GMA Supershow," and later became a rooster at "That's Entertainment." Out to give her singing career a shot in the arm, Rachel chose to shed the teeny-bopper "That's Entertainment" mod to become a regular in "Aawitan Kita" — a show that would pit her talents with more seasoned singers, among them, Arminada Siguan-Reyna.

Meanwhile, Rachel divides her time between her studies at the OB Montessori and showbiz commitments. "It's not hard, really," she says. "I turn down 50 per cent of the shows I am invited to so I can have time for my studies. I also choose which shows to appear in," asserts this singer.

A few years ago, the waves of political change compelled Hajji to take second wife Rio and kids abroad — away from mudslinging showbiz colleagues who frowned on their loyalist affiliation. "Alam mo naman noon," Rachel recalls, "you're either for this side or that side... a lot of what was said then was unfair and untrue." For her part, Rachel scuttles back and forth to visit her dad in the states while her mom stays with her here.

In the States, Hajji and Rio became born-again Christians. Rachel followed suit. "I used to think God was just invented, you know, just to comfort people," she confesses. Far from being an invention, God has become real for her in good times and bad. She admits that being born-again has kept her from the pitfalls characteristic of showbiz life. "Not that I'm nagmamaliis," she says, "but one needs to be conscious of sin."

At 15, Hajji's little girl, Rachel has weathered the big changes in her life. By letting God lead the way, Rachel knows she can't ever lose.

Women emerging

WHILE their Western counterparts were suffering a backlash, Filipinas in the forefront of the women's movement were coming out of the mist — fresh, unsoiled by the soot of the bra-burning rituals in the West but nonetheless scathed and bent by centuries-old shackles.

Nineteen-eighty to 1981 saw the quiet emergence of a feminist movement in the Philippines. We have never been wanting of women's movements, not to say women warriors and women achievers, but they were there mostly to midwife the cause of something or somebody outside of themselves, outside of their bodies, outside of their souls.

The decade, wracked by upheavals and transitions, ushered in (out, is a better word — as in out into the open) the women. The women for women. Women who wanted to belong to themselves and to the world of their choice. Women who wanted to be present at their own birthing and flowering.

Nothing could be more eventful than for a woman to rise from the chaos and the blood. President Corason Cojuangco Aquino broke precedents. Her rise was a woman-event — for the Philippines, for the world.

But Cory or no Cory, the women's cause had already begun to take root. Thus the statements, the catch-phrases — "personal is political," "give back women to themselves," "a gender-free society," "productive-reproductive," "equality advocacy," "sexual harassment," "complementarity trap," "the problem is gender relations," "We shall overcome," "We hold half of the sky," "woman power," "equality for all," and so on and so forth.

And so the birth of Pilipina, Gabriela, Womb, Samakana, Women, Tw-Mae-W, Women Against Violence, the rekindling of Kabapa, Makibaka, the National Commission on Women and its Philippine Development Plan for Women — the unfolding of dozens (hundreds?) of women's groups for women too many to mention.

It was a global wave, this women's emergence. On Philippine shores women in growing numbers have begun to bask in the sun, and run free with the wind in their hair — for their own sakes.



From the provinces

SULU: A group of heavily armed men massacred an undetermined number of fishermen aboard a motorboat off Bulong Island, Sulu.

Reports reaching the Philippine Coast Guard (PCG) headquarters in Manila said five fishermen were killed by suspected members of the Moro National Liberation Front (MNLF).

Other reports indicated that more than five fishermen were killed in the attack. Lt. Ronilo Bacolod, PCG spokesman, said the fishermen were fishing in Sulu Sea when the rebels fired at them. One survivor was abducted by the rebels, he added.

Bacolod said the PCG was checking reports on the number of fishermen killed. He did not discount more than five fishermen were massacred.

He said that Commo. Pio H. Garrido Jr., PCG commandant, received reports that four other fishermen survived the attack.

Garrido ordered Coast Guard stations in Mindanao to conduct pursuit operations. He said the rebels were reportedly led by one "Commander Akbar."

Meanwhile, the Coast Guard ended search operations for passengers and crew members of the m/y Jamada which sank off Jolo early this month.

About 180 persons were aboard the ship when it sank due to big waves and strong wind, the Coast Guard said.

Garrido said two PCG patrol craft rescued 160 passengers and retrieved seven bodies in Sulu Sea.

He said search operations for other passengers yielded negative results.

Garrido said four motor boats helped in the search and rescue operations for three weeks, but to no avail.

LEGASPI CITY: The Albay PC-INP command reported that the number of the barangays freed from the influence of communist rebels during the first nine months of the 1989 has increased to 53.

In a report to Brig. Gen. Mariano Filart, ReconV commander, Lt. Col. Meynard Beltran, Albay PC-INP commander, said at the beginning of this year, there were 202 barangays in the province which were either influenced or infiltrated by New People's Army rebels.

One-hundred-eight were classified as "influenced," while 94 were categorized as "infiltrated."

At the end of the third quarter, Beltran said, 53 barangays were cleared of rebel influence.

Beltran explicated that the drop in the number of NPA rebel-influenced barangays in Albay came as a result of an intensified campaign against the rebels. The drive had kept them on the run. The decrease was also attributed to the strong support now being extended by the people to the government.

LIMAY, Bataan: The principal suspect in the murder of a publisher-editor in this province was shot and killed recently while he was walking on his way to the municipal hall.

Killed was Wilfredo Galang, alias "Ka Balasak," married, 27.

Withdrew, who asked not to be identified, said that Galang was crossing the street near the municipal building when three cars blocked his way.

The armed men abroad fired at him, hitting him in different parts of the body. He died instantly.

Galang made news recently when he was tagged as the principal suspect in the murder of Ruben Manrique, 38, publisher and editor of the hard-hitting weekly, Luzon Tribune, on Aug. 12, 1988, near a nightclub in Balanga town.

The murder charge filed against him was, however, dismissed by the court. The so-called "star witnesses" refused to testify despite several summonses for fear of their lives. This prompted the court to set free Galang.

OLONGAPO CITY: A gang specializing in the filing of criminal cases against US military and civilian personnel here is believed behind most of the criminal cases filed with the city fiscal's office, according to lawyers Bertuldo Laforteza and Pete Bunao.

Laforteza and Bunao are

the chief defense counsel and coordinating counsel of US Navy chief petty officer David Welsted and retired US merchant marine George Tompkins.

Welsted was charged with child abuse while Tompkins was charged with acts of lasciviousness and child rape under I.S. Nos 89-1435; 89-1436 and 89-1437.

Welsted complained to his lawyers about an unidentified caller offering his services to settle the case for \$10,000. Four days later he again told his lawyers that the same caller told him, this time, to raise \$20,000 to include the case of Tompkins.

He said he refused the offer, saying he was set up for extortion. He said he will fight his case in court for his innocent, he added.

Laforteza and Bunao said, "it is very obvious in this case that there's a gang of people operating in this city specializing in filing cases against Americans under flimsy reasons and doubtful factualities solely for extortion."

They cited the following facts to back up their arguments:

1. The two alleged victims of child abuse and rape, 12-year old Ricarda and 14-year old Armina (not their real names) said in their sworn statements that Welsted ordered them to massage his naked body sometime in February 1988. Welsted was in Diego Garcia on his date and would not be back in the Philippines until April 1988.

2. In the same sworn statements the two minors said they massaged Welsted in his rented apartment sometime in the later part of 1988. However, the documents signed by Welsted and Dr. Edwin Abides, owner of the said apartment, showed that Welsted started occupying the premises on April 29, 1989 up April 16, 1990.

3. The medical certificate issued by Dr. Dina Clancy Eisma of the Olongapo City General Hospital on Oct. 29, 1989, showed that the alleged rape victim, Armina, was still virgin; that there was no laceration on the labia minora and that her hymen is still intact.

Laforteza and Bunao said that extortion motive in this case is very evident with the facts at hand.

Local officials in this city, Bataan and Zambales however, viewed the case differently.

They said Welsted and Tompkins are two of few Americans made pawns in the international chessboard, they're expendables.

MANILA: The Philippine National Drug Formulary (PNDF) or Essential Drug list, a list of drugs that are capable of safety and efficacy, was formally launched Tuesday by the Department of Health (DOH).

The PNDP (Volume 1) consists of a core list of 297 essential drugs and a complementary list of 263 drugs.

In the core list are drugs that satisfy the health care needs of the majority of the population and that should be made available at all times in appropriate dosage forms and in sufficient quantities at affordable cost. Health secretary Alfredo R.A. Bengzon said.

The complementary list includes drugs for treating rare disorders, drugs with special pharmacological properties and alternative drugs that may be prescribed if there is no response to the core-essential drugs or when the essential drugs cannot be administered for one reason or another.

The PNDP lists drugs acting on the nervous system such as analgesics or pain relievers; drugs for the musculoskeletal system such as non-steroidal anti-inflammatory drugs; anti-infectives such as tetracyclines and penicillins; immunologicals such as vaccines; cardiovascular drugs such as anti-anginal agents (beta adrenoceptor blockers and calcium channel blockers); drugs for asthma, allergy, gastro-intestinal; drugs affecting the blood and hormones.

MANILA: Top agricultural journalists were honored in the Philippine agricultural Journalists (PAJ) Binhi Awards.

The awards program, now on its 12th year, was co-

sponsored by San Miguel Corp. (SMC), Land Bank of the Philippines (LBP), Philippine Association of Flour Millers (Pafmil), and the Inter-island Deep Sea Fishing Association (IDS-FA).

Deogracias N. Vistan, LBP president, was guest speaker at the Camelot Hotel in Quezon City. He and Agriculture Assistant Secretary Manuel Lantim, assisted by Bienvenido Faustino, Philippine Crop Insurance Corp., executive vice president, and SMC's menchu Henson and Bert Pasquin gave the prizes to winners.

In the Reporter of the Year category, Rodolfo Fernandez won first prize while the Manila Bulletin's Michael M. Alunan and Sem Cordial tied for second and third places.

SMC donated a total of P130,000 in cash prizes for the awards.

DUMAGUETE CITY: Negros Oriental II Electric Cooperative Inc. (Noreco II) has completed its power lines rehabilitation programme aimed at improving the cooperative's distribution system.

In a report to Rodrigo E. Cabrera, administrator of the National Electrification Administration (NEA), engineer Edgardo R. Piamonte, project supervisor of Noreco II when it took over from the Visayas Electric Company (Veco) in 1977 the operation and maintenance of the power-generating units serving this city.

He added that the rehabilitation work cost Noreco II some P1.6 million. The amount does not include the P307,774.90 used for the repair of the co-operative's 5 MVA substation.

Piamonte also reported that the completion of the rehabilitation work was made possible through the support and co-operation of the NEA which acted with dispatch on Noreco II's request for funds, and the Region VII rural electric co-operatives.

Before the power lines were repaired, the co-operative was deluged with complaints about daily power interruptions lasting from 30 minutes to one hour.

LUCIA: The operations manager of a bus company and his son were killed in an ambush allegedly staged by three jeepney-riding men along Ortigas Ave., Sta. Lucia, Pasig, Metro Manila.

Cpl Leo Daser, officer-on-call identified the victims as Carlos Bulian, 36, operations manager of G. Linares Bus and resident of Block II, Jade St., Crestaville Subd., Taytay, Rizal, and his son, 23, an engineer employed by the same bus company.

Both died of multiple bullet wounds and were pronounced dead on arrival at the Rufino Cardinal Santos Hospital.

Carlos, eldest son, Danilo, 28, who was unhurt, identified one of the three killers as a certain Mangcayo of No. 40, Kuningning, Sta. Lucia, Pasig.

Daser said Carlos and his son were on board their car on their way home when a passenger-type jeepney bearing the killers blocked their path and fired at them.

Police are eyeing a labour dispute as the motive behind the ambush killing, because Mangcayo is said to be a former driver of the company who was dismissed during a strike several months ago.

QUEZON CITY: The "Sambayanan," a federation of 375 urban poor groups with 1.5 million members, will be launched at 2pm today, Andres Bonifacio Day, at Bonifacio Hall, UP School of Labor and Industrial Relations, Diliman, Quezon City.

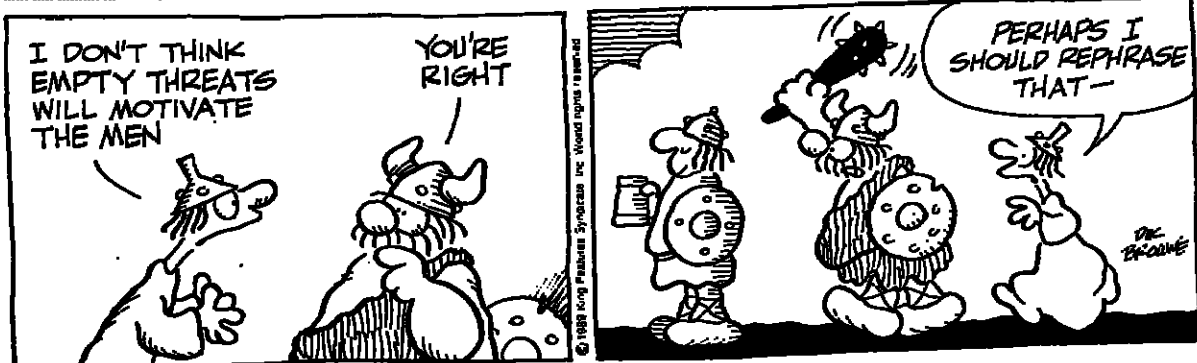
Lawyer Ernesto V. Villagarcia, Sambayanan president-founder, former student leader, Camarines Norte governor, and now commissioner of the Presidential Commission for the Urban Poor (PCUP), said the "Sambayanan" is a combination of the world "Sambayanan" which means a group of people and "bayanihan," the Filipino tradition of co-operation and brotherhood.

The PCUP executive said the movement aims to help solve problems of the urban poor on land, housing, electricity, water, jobs, and other basic needs. He added that "Sambayanan" — tinig ng Manila, a newspaper for the urban poor, will also be launched today.

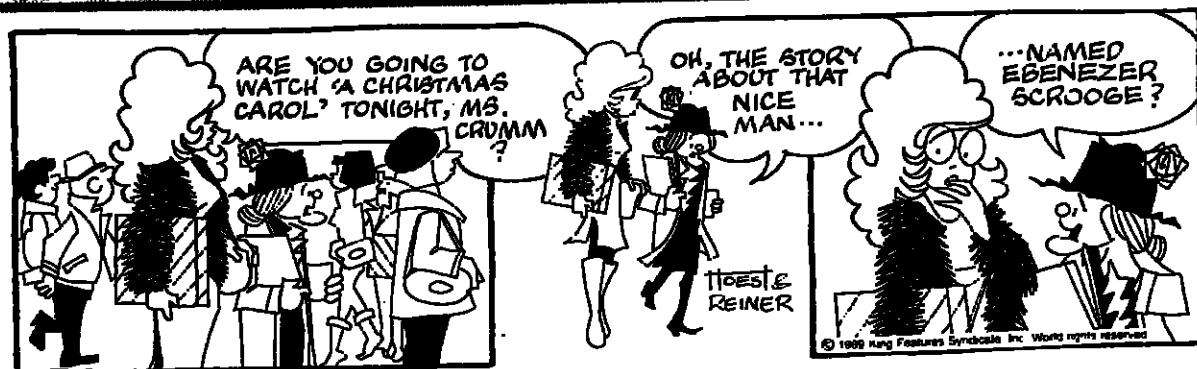
BLONDIE



HAGAR THE HORRIBLE



AGATHA CRUMM



BEETLE BAILEY



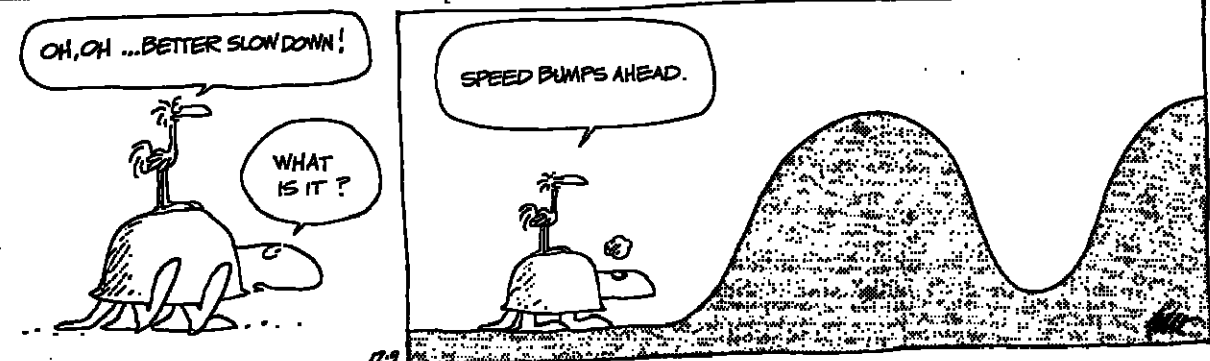
THE WIZARD OF ID



ANDY CAPP



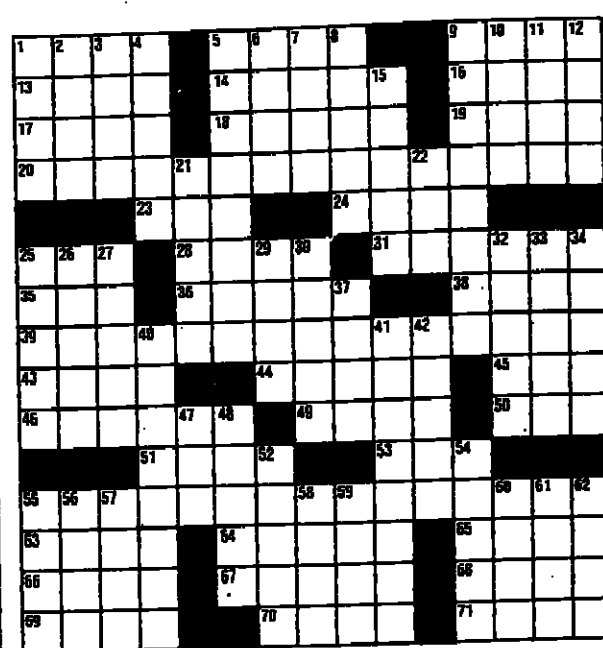
B.C.



HE-MAN



TODAY'S CROSSWORD



- ACROSS**
- Cool one's heels
 - To be: Lat.
 - 18" Urin
 - Fairy-tale character
 - Rare birds
 - Time was
 - Grand jeté
 - Composer Riccardo 1845-1930
 - Bearing
 - SUGAR
 - Go wrong
 - Adolescent
 - Bribe
 - Hash house sign
 - Chef's secret
 - SHEAF commander
 - Unis
 - Hurlers' stats
 - SALT
 - Footless
 - Spooky
 - Much-used article
 - Military blockades
 - Londoner's pad
 - Belonging to: Suffix
 - Perpetua: Idaho's motto
 - Botanist Gray
 - PEPPER
 - "A Death in the Family" author
 - Pool worker, for short
 - Scars' home
 - Ocean
 - voca (very soft)
 - Persian Gulf country
- DOWN**
- Parrots of Brazil
 - Understood
 - Former Turkish title
 - Site of the Krupp works
 - Clusters of spores
 - Dull, blurred
 - Once popular lively dance
 - Plaster of paris
 - Sixth sense, for short
 - Exposed area of a glacier
 - Bismarck and Kruger
 - Bandleader Shaw
 - Hari
 - Stravinsky
 - Vocalist Horne
 - Plexus
 - Duck, in Bonn
 - Sculpt propellers
 - Nest eggs: Abbr.
 - Rural route

ANSWER TO PREVIOUS PUZZLE

PAPA ASTRAL
SNARED STRAYED
HATRED TRIPEAL
ATTAR GREET GND
DUES BLISS YEGG
ERR READS MERLE
SENTENCE TEASER
ANNE PARR
ODDITY FAIRNESS
REINS FILLY LET
MALT BONES DALE
ECU SURED MAPLE
ROTATORS DENSER
NEGATES RACERS
SENATE SLED

GOREN BRIDGE

BY CHARLES GOREN AND OMAR SHARIF
GRAB YOUR CHANCES

East-West vulnerable. South minor-suit game.

NORTH
♠ K 7
♥ 8 4 3
♦ Q 8
♣ A 10 8 7 3 2

EAST
♠ Q 8 5 3
♥ K Q J 10 6 2
♦ J 9 5 2
♣ K Q 9 6

SOUTH
♠ A 10 6 2
♥ A 9 5
♦ A K 7
♣ J 5 4

The bidding:
South West North East
1 ♠ 2 ♥ 4 ♣ Pass
5 ♣ Pass Pass Pass

Opening lead: King of ♠
Refusing to win a trick at your first opportunity can be the right play on many occasions. It also can backfire, as this hand from the recent Fall North American Championships illustrates.

North-South were playing a weak no trump and five-card majors, which accounts for South's one-club opening bid. After West's preempt, North's jump to four clubs had to show at least a good five-card holding, so South was not the least bit reluctant to go on to the

minor-suit game.
Sitting South was Chris Compton of Houston. He won the opening heart lead with the ace, cashed the king and ace of spades and ruffed a spade. Next came three rounds of diamonds, and when West followed to all of these, it was obvious he was very short in clubs. Declarer discarded a heart from dummy on the third diamond, then ruffed his last spade.

The table's seven of clubs was led and, when East played low, declarer took stock. Since East surely would have risen with an honor had he held K Q x, he had to have either all the outstanding trumps or else he was missing one of the top honors. Since the contract was going down if West held an honor, declarer decided to play East for all the trumps and ran the seven!

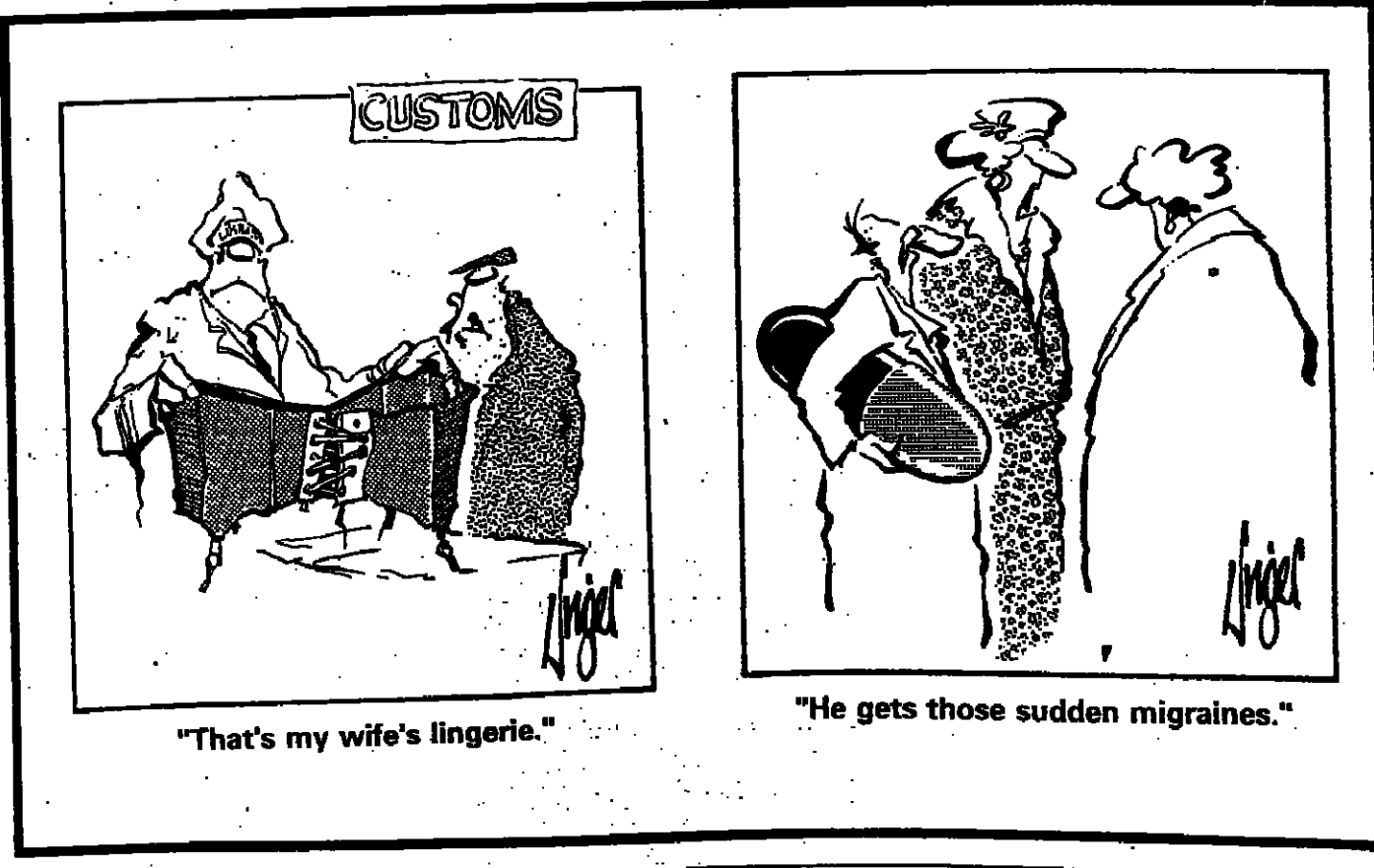
When the seven won, declarer simply continued with a low trump. East took the queen but was trapped. A spade or diamond return would be ruffed in hand as dummy's last heart was pitched, and a club return would surrender a trump trick. Just made.

Note that if East takes the first trump, he can avoid the endplay. He simply exits with a club and, no matter how declarer maneuvers, the defenders are sure to come to two trump tricks and a heart.



YOUR STARS

<p>Aries March 21 - April 20</p> <p>You will have a good idea but now is not quite the right time for it. You should not try to dominate matters, let others have their say. If you expect too much your hopes will be shattered. Be pertinent.</p>	<p>Cancer June 21 - July 20</p> <p>You should try to introduce an element of fun into something you are learning. Your love life will be a little complicated and you should do your best to sort it all out or else you will be sorry. Try to look on the bright rather than on the dark side. Be fair.</p>	<p>Libra Sept 23 - Oct 22</p> <p>Something you had hoped for will not happen quite in the way you would have liked. You should avoid doing anything you are not quite definite about. Make sure you do not drive too long without a break. Be lenient.</p>	<p>Capricorn Dec 21 - Jan 19</p> <p>You will not have time for all you want to do so get your priorities right. Make sure you do not break a promise you have made. Show a little more respect for your elders. Be tactful.</p>
<p>Taurus April 21 - May 20</p> <p>You will be able to have an interesting day but do not do anything too out of the ordinary. Your lucky numbers are 16 and 28. Not everything will be exactly as you would have wished. Take a little while before you make up your mind, but not too long.</p>	<p>Leo July 21 - Aug 21</p> <p>You will be able to do something favorable but only if you stick to what is strictly practical. Others will be more sympathetic towards you and you should return the compliment. Be reliable.</p>	<p>Scorpio Oct 23 - Nov 21</p> <p>You should try to have a little more faith in yourself. This is the start of a good period for you, but you will have to work hard. Make sure you do not take too much for granted. Be observant.</p>	<p>Aquarius Jan 20 - Feb 19</p> <p>Avoid trying to do too many things at once. Not everything will to your liking, concentrate on those things that are. Do not eat merely out of habit. Do not think others will always put you first. Be sensible.</p>
<p>Gemini May 21 - June 20</p> <p>There may be some family tensions and you should act swiftly to overcome them. This is a good time to make a few changes you have been contemplating. Try to think a little more positively. Be cordial.</p>	<p>Virgo Aug 22 - Sept 22</p> <p>The Moon's better influence will help you to deal with a family problem. You should try to take your mind off work and to avoid all kinds of stress. Have a good laugh at yourself. Be realistic.</p>	<p>Sagittarius Nov 23 - Dec 21</p> <p>You would do well to be a little more slow and a little more sure but do not dither. A little while spent sipping up will be time well spent. You should make sure you get all the rest you need and a little more non too violent exercise too. Be prudent.</p>	<p>Pisces Feb 20 - March 20</p> <p>You will have to deal with an excitable person and should keep calm. You will be able to do something you had long wanted to do. You should beware of believing that all is what you would like it to be. Be loving.</p>



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Cash makes successful comeback Noah to face Steeb in final

SYDNEY, Australia, Jan 13, (Reuters): Flamboyant Frenchman Yannick Noah dealt Aaron Krickstein the same treatment he meted out earlier to top seed Ivan Lendl to sweep into his first final in nine months at the New South Wales Open tennis tournament today.

Noah, the eighth seed who hammered world number one Lendl yesterday, beat the third-seeded American 6-4 7-5 to set up a final tomorrow with West German Carl-Uwe Steeb, who followed up his big win over compatriot Boris Becker with an equally severe 6-3 6-2 defeat of Sweden's Mats Wilander.

Noah disclosed after his match that he had enlisted the services of an African witch doctor on holiday last year to help him overcome injury and revive his flagging career.

"I used to have chronic tendonitis in my knee until I went on a holiday to Cameroon last year, was hiking through the jungle and heard about this witchdoctor who lived three hours up river," he said.

"I went to see him and he belted the hell out of me with a panther tail before rubbing some oil onto my knee."

"I think it has a lot to do with belief but I've had no problems with my knee since," he added.

Noah also suffered second degree burns to a leg last September in an accident with a barbecue which doctors informed him would take four to five weeks



Steeb plays a double handed backhand shot to his opponent. (Reuters wirephoto).

to heal.

He said he went to see a faith healer instead and was playing tennis again four days later.

The inspirational Noah demonstrated his renewed enthusiasm for the game today, serving eight aces as the third-seeded Krickstein went the same way as world number one Lendl.

Noah, who beat Lendl 6-1 6-4

in the quarterfinals, is now convinced his luck may have changed and again poured cold water on stories that he would retire at the end of the year.

"I wasn't in the right mood when I gave that interview — it was late at night and I'd just lost," he said.

"When I play the way I am at the moment and feel the way I

feel, of course I don't feel like retiring."

Steeb, the seventh seed, maintained his awesome march to the final by taking just 65 minutes to avenge his Davis Cup singles defeat last month by Wilander, who had no answer to the powerful West German's deep ground strokes.

Following his straight-sets victory over world number two Boris Becker yesterday, the super-fit Steeb afterwards admitted his confidence was sky high.

"I think in practice I saw I could do well but it was a matter of bringing the same effort into matches. That seems to be happening now."

"He's playing like a top 10 player at the moment," agreed an admiring Wilander afterwards, adding that he was not displeased with his own game.

"This was still perfect preparation for (next week's) Australian Open for me. I've just got to get into the rhythm of playing well again and I'm not too worried about wins and losses at this stage," he said.

Austria's Barbara Paulus and Natalia Zvereva of the Soviet Union will contest the women's singles final after two tough semifinals.

Paulus beat compatriot Judith Wiesner 6-4 3-6 6-1 in a match of more than two hours, after losing her previous six contests against her opponents.

Zvereva, who won the opening women's tour event of the year in

Brisbane last week, reached her second consecutive final by beating American schoolgirl Amy Frazier 6-2 3-6 6-2.

● Former Wimbledon champion Pat Cash made a comeback today when he and fellow Australian Mark Kratzmann won the men's doubles title.

Cash, in his first tournament since an Achilles tendon operation last April, joined Kratzmann to take a 6-4, 7-5 victory over South Africans Danie Visser and Pieter Aldrich, the top seeds.

Cash said the victory was "unbelievably encouraging."

The 24-year-old player said he had an "outside chance" of playing singles in Australia's first-round Davis Cup match with France on Feb 24 in Perth.

Nonetheless, Cash cautioned that he still has a long way to go to return to top form.

"I've got certain standards that I want to live up to, but at the moment I'm not being super-strict," he said.

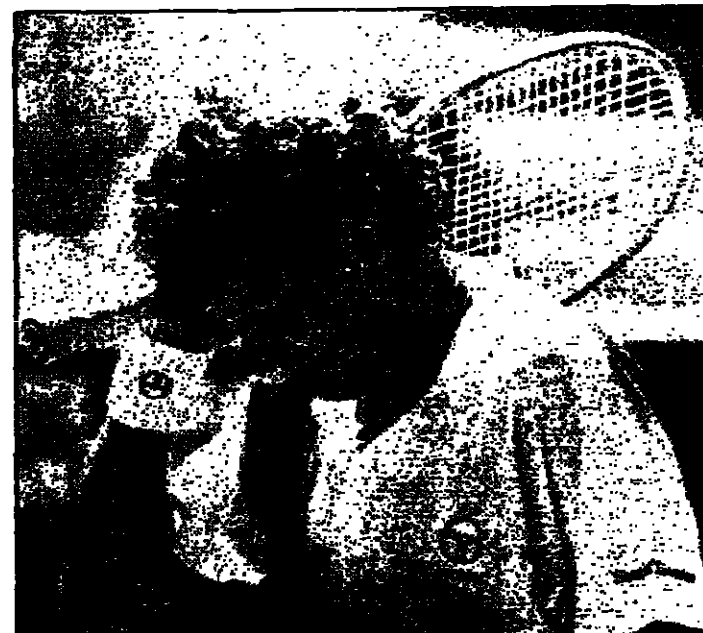
The victory has his eighth in tournament doubles competition.

Cash will team with Stefan Edberg of Sweden in doubles at the Australian Open next week. The two-time Australian Open runner-up said he was not expecting to play tournament singles until late February.

"I'm looking at some indoor events in Europe or America but it's up in the air at the moment," he said.



Noah, with hair flying, watches his serve.



Wilander reacts after missing a shot during his semifinal loss to Steeb. (Reuters wirephoto).

Becker, Graf set to extend reign

SYDNEY, Jan 13, (Reuters): Steffi Graf and Boris Becker, with 12 Grand Slam titles between them and still in their early 20s, look set to extend West Germany's domination of world tennis into the 1990s at the Australian Open starting on Monday.

Graf, the defending champion in the first Grand Slam tournament of the 1990s which begins in Melbourne on Monday, has dominated women's tennis for two years and is likely to challenge Australian Margaret Court's haul of 26 Grand Slam singles before she reaches 26.

Two years older than Graf at 22, Becker last year proved he was not just a one-surface player by adding the US Open title to his three Wimbledon championships.

The International Tennis Federation named the two Germans world champions for 1989 in December despite computer rankings which showed Becker as number two in the world.

Becker is now gunning for the world number one spot held by Ivan Lendl which the West German believes is rightfully his.

Ironically the US-based Czechoslovak, nearly 30 and showing the first signs his best might be in the past, would willingly swap his ranking for one of Becker's Wimbledon titles.

Among the younger contenders only Sweden's Stefan Edberg, 24 yesterday, appears to have the all-round game to challenge Becker's surge for supremacy in Melbourne where the flame-haired powerhouse has performed poorly, never passing the last 16.

But after the West German's performance in the Davis Cup final last month when he destroyed Edberg and Mats Wilander, few would bet against Becker winning the Australian Open on an artificial surface that suits his power game.

Toughest
"It's the only Grand Slam I haven't done really well at yet. For me it's the toughest Grand Slam because of the heat and the travelling," said Becker during the New South Wales Open.

His quarterfinal defeat by fellow countryman Carl-Uwe Steeb in the Sydney tournament led some to question whether Becker was feeling the same anticlimax that afflicted Wilander early last year after he had won three Grand Slam tournaments in 1988.

Becker admitted he had difficulty relaxing after December's Davis Cup final, during which he played the best tennis of his life. But he said his last 16 defeat in the 1989 Australian Open stemmed from too long a break after the 1988 Davis Cup final.

Graf, heading for three successive open titles, has not played a warm-up tournament in the three years the championships have been at the National Tennis Centre, practicing instead on the centre court to acclimatise herself to the balls and heat.

With the absence of American Martina Navratilova, Graf should breeze through to a final against Argentina's Gabriela Sabatini. But she still fears there is another Arantxa Sanchez out there waiting in ambush.

Spaniard Sanchez, who has bypassed Melbourne, ruined Graf's chances of a second successive clean sweep of the major championships by beating the West German in the 1989 French Open final.

"All of them are working more and improving," Graf said earlier this week. "It has never been easy but there used to be some easy matches in the beginning of tournaments."

"The younger ones are coming up and they want to get in there and show they can play."

Tour
Becker is likely to tour East Germany after this year's Wimbledon, an East German tennis official said yesterday.

Thomas Emmrich, a former East German tennis champion who is now an official of the country's tennis federation, also said that East German players would take part in qualifications for the 1992 tennis tournament at the Olympic Games in Barcelona, Spain.

Emmrich conceded, however, that East Germany's nascent tennis programme was unlikely to produce any qualifiers for the Olympic tournament.

"Our players must first play at smaller tournaments and try to get into the world rankings," Emmrich told the East Berlin newspaper Deutsches Sportecho.

"But taking part in Olympic qualifications would boost their motivation," he said.

"I believe that tennis could have a boom in our country, although many things are still open," Emmrich said.

Salmiya qualify for PBAK final

By Sonny Mariano

THE last playing day of the elimination round of the L&M-PBAK Winter League provided a lot of action packed bowling which saw the three teams vying for the fourth and last final berth, namely Salmiya-NTC, Kuwait City-Araliya and Kheifan-BMW bringing out all the best they have.

First to come under fire was Kheifan-BMW, who needed to score a decisive 4-0 win against the second running Al Soor-Najd Cargo to hold on to their slim chance of making it to the finals in case the other two contenders suffered some setbacks in their separate matches. But as it turned out, the BMW Speed Masters only managed a 3-1 victory which further damped their chances.

Nashat (567) and Saleh (544) led all scorers from BMW while Amy Abdou (503) and Saleh (485) were the top scorers for Najd Cargo.

In the other game scheduled at 9:00 am, Surra-Magnolia/Far East Rest, tightened their hold on the third slot by damping Mahabola-Jokers 4 games to none. The leading bowlers for Surra were Pengsak (563), Edwin Nepomuceno and Mars Balis, Mahabola, who played with only four players, had Jerro Fox (579), Bob Peek (537) and Debbie Proctor

with 533.

The most-awaited matches came at 1:00 pm with the two contenders for the last final slot Salmiya and Kuwait City playing different rivals. Just before the game started, the two teams were on even terms with respect to win-loss record but NTC was ahead in total pinfalls. After two games Salmiya-NTC, who were playing Murgab-City Int'l-FEBTC and Kuwait City-Araliya who were up against Jabriyah both scored two points each but Kuwait City was no ahead in total pinfalls. This development increased the tension and intensity of the third and final game with Salmiya able to pull through as they fashioned out a 4-0 victory over Murgab. Kuwait City was less fortunate as they went down in the last game for a 3-1 final count against Jabriyah.

The top scorers for the Salmiya-NTC who became the fourth finalist by virtue of their inspired showing were team captain Rudy Zablun (545) and Anukul (540). For Murgab, Jun Manalo led his team with 523. On the other hand Kuwait City-Araliya had Flor Tongson with 588 as the best output while Ed de Leon led Jabriyah with 526. In the matches played that have no bearing on the tournament, top finalist Shuwaikh-Chiquita coasted to a 3-1 win over Yarmouk-Tectron. Rico Pino (554) and Lando Caburao (524) top-scored for

Chiquita and for Tectron Vic Choong (537) and Osman (506) were the best scorers.

And finally, Salwa-Al Rashed ended their campaign with a 2.5-1.5 victory over Faiba-NTC B. Wally Flores was at his best again by submitting 500 for Al Rashed and Bobot Labicani continued to lead NTC B with his 531.

The final standings of the twelve teams who competed are as follows in order of their win-loss record: Shuwaikh-Chiquita, Al Soor-Najd Cargo, Surra-Magnolia-Far East, Salmiya-NTC, Kuwait City-Araliya, Kheifan/BMW, Faiba-NTC B, Jabriyah, Mahabola, Yarmouk-Tectron, Salwa-Al Rashed and Murgab-City Int'l/Far East Bank. For the individual awards for men, the High Game went to Mohammed Al Amer (258), the High Series to Naser Serraj (645) and the High Average to Rico Pino (184.4). For the ladies the High Game of 236 belonged to Jerro Fox, the High Series of 584 was registered by Debbie Proctor and the High Average went to Amy Abdou with 165.8.

Awardees
The finals of the L&M-PBAK Winter League will be on Friday, January 19, starting at exactly 9:00 am. And the awarding ceremonies will follow at 1:00 pm. Winners of the Class C classification series and fun games are also requested to come to receive their prizes and trophies.



Magnolia: maintained 3rd place



Some of the competitors in the PBAK run games.

Holyfield and Tyson to earn over \$11m each

ATLANTA, Jan 13, (AP): Evander Holyfield signed a contract yesterday that will guarantee him at least \$11 million for his June 18 heavyweight championship fight with Mike Tyson.

Depending on how many people watch the fight around the world, Holyfield could earn up to \$20 million. Tyson, who previously signed the contract, is expected to earn a minimum of 22 to 25 million dollars.

"Never thought anything like would happen," Holyfield's manager Ken Sanders said. "I thought he'd be a champion, but I thought if he was a champion and made a million dollars, that'd be great. But we passed that a long time ago."

The only unsettled issue in the contract is the site of the fight. Sanders said Atlantic City, New Jersey, was the most likely venue, but the fight also could take place in Las Vegas or Japan.

Holyfield, who is undefeated in 23 bouts, gets a one-third cut of the fight's net, plus percentages of the closed-circuit, pay-per-view and international television rights.

There is no rematch clause in the contract, which also stipulates that Holyfield may not fight anyone except Tyson after Feb 10.

Final legal papers filed in Cup case

ALBANY, N.Y., Jan 13, (Reuters): Lawyers battling over the fate of the America's Cup yacht prize filed their final papers with New York's highest court yesterday.

New Zealand's Mercury Bay Boating Club is hoping that the New York State Court of Appeals will overturn a lower court decision to award yachting's most prestigious trophy to the San Diego Yacht Club.

Legal grappling between the Mercury Bay Boating Club and the San Diego Yacht Club began in 1987 and has continued since the staging of the last America's Cup in San Diego in 1988.

It all started when San Diego won the Cup from Australia but broke with precedent by leaving home before setting the terms for the next challenge.

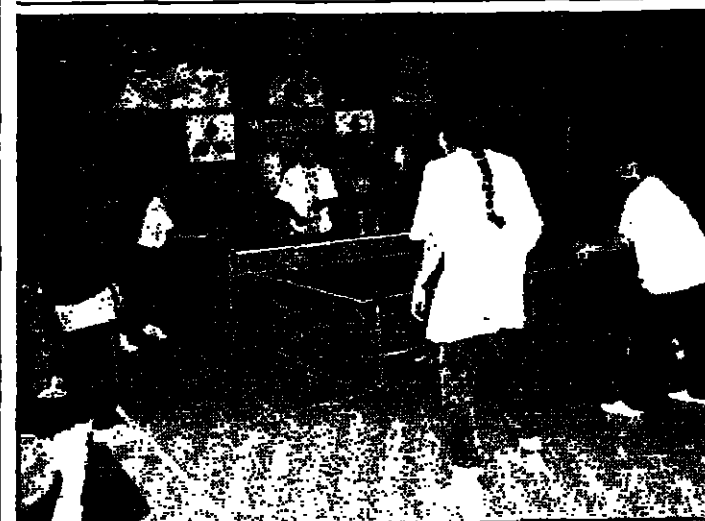
New Zealander Michael Fay challenged San Diego to race in 1988 in a 132-foot (40.2-metre) sloop far larger than the 12-metre yachts traditionally used. San Diego refused,

Fay took the issue to court and New York Justice Carmen Ciparick ordered both sides to race first and seek court action later.

San Diego defended the Cup with a 60-foot (18.3-metre) catamaran, which is inherently faster than a sloop, and Dennis Conner easily won the best-of-three series 2-0. Fay asked the court to disqualify San Diego for sailing a catamaran and Ciparick agreed, awarding the Cup to New Zealand.

An appellate panel, however, overturned the verdict, ruling that the "Deed of Gift," which sets out rules for the America's Cup, imposed no such design constraints on the defender. Fay then took the issue to the New York Court of Appeals, which will have the final say.

Oral arguments before the appeals court are scheduled for February 8 and a decision is expected by the end of March.

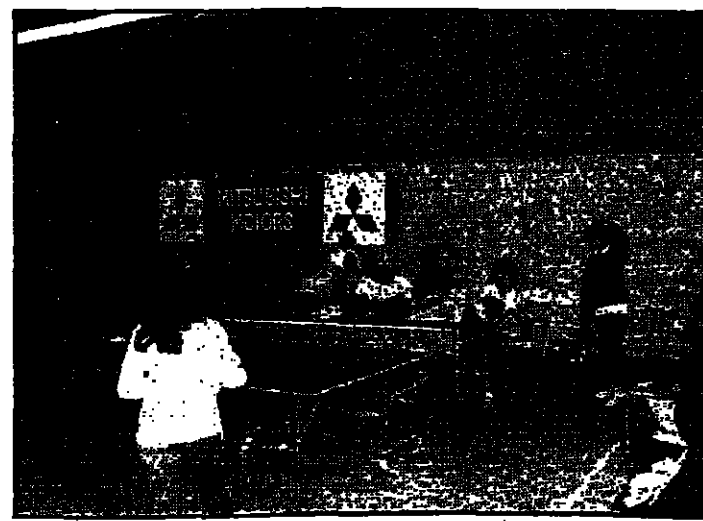
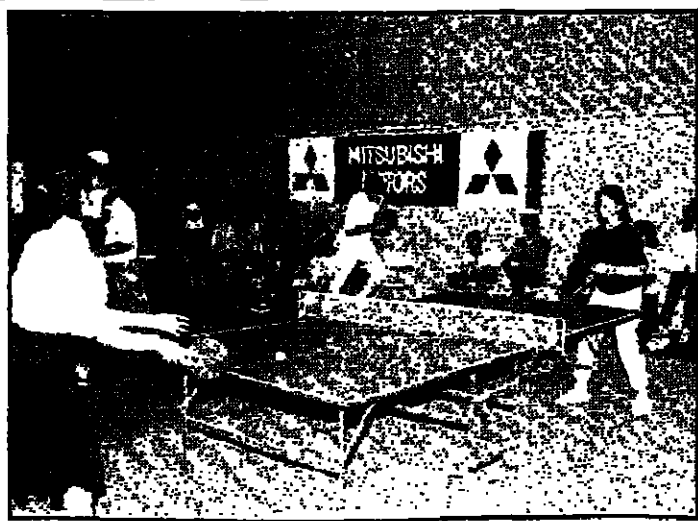


IAC table tennis tournament

THE Mitsubishi-IAC table tennis tournament took place at the IAC badminton hall recently. Because of the large number of entries for the junior events, the organisers had decided to hold only the junior championships on that day.

The day started off well with nearly all the participants arriving early, either to get in a few games of practice before their matches or just so that they didn't have to walk over.

Consequently, there was an air of festivity in the air, nobody minded the fact that organisers were busy in a corner trying to master the intricacies of a new table and provide an extra table.



Both the junior boys and girls were of good calibre and all of the participants soon got into the swing of things.

The girls' matches were quite thrilling with some very exciting rallies, both in the singles and the doubles. The winner in the girls' singles was Wafa Essa Koya and the runner-up Lulu Sherif. In the girls' doubles Lulu Sherif and Seema Mohammed beat Rizwana Kadre and Roshan Roy in the finals to take the doubles events. The winners and the runners-up will receive their prizes on January 19, when the senior ladies, gents and mixed doubles matches will also be held. Prizes will be distributed by Mitsubishi representatives, who have sponsored the events. Above: some of the games in progress.

SPORTS

ARAB TIMES, SUNDAY, JANUARY 14, 1990

S. African activists vow to halt rebel tour

CAPE TOWN, Jan 13, (Reuters): South Africa's anti-apartheid Mass Democratic Movement (MDM) vowed yesterday to halt a rebel English cricket tour due to start next week and to make life for the players unbearable.

Spokesmen for the MDM and the non-racial National Sports Congress (NSC) said at a news conference in Cape Town they would launch an anti-tour campaign at a rally in the city on Tuesday.

"We call on our people to go to every field where the rebels play. Stop the rebel matches, disrupt them as much as you can," said NSC spokesman Ngconde Balfour.

"Go to their rebel hotels and give them nightmares. Make their lives unbearable in South Africa," he said.

Balfour said the tour was being state-run rail and air companies with captain Mike Gatting's English players likely to receive about 800,000 rand (\$300,000) each.

This was money that could better be used to improve black housing, education or sports facilities, he said.

Balfour said the NSC, which forms part of the nationwide MDM, would plan disciplined and peaceful protests within the framework of a campaign of defiance against apartheid launched in August last year.

"The mass rally in Cape Town on Tuesday will be the start of the anti-tour campaign," he said.

"Cape Town activist Trevor Manuel said the tour had to be stopped because it was planned in defiance of majority opinion in South Africa and in defiance of a worldwide ban on sporting links with the country.

Action

"We believe we are duty bound to stop this tour. We are bound to call our forces into action," he added.

"The rebel tour is designed to give credence to the line that reform is alive and kicking in South Africa. In fact, (President F.W.) de Klerk and his reform campaign are nothing but a ploy to keep the white people in the white world where they are being felt by the people," he said.

De Klerk, who took over as president in September, has vowed to eliminate most forms of apartheid and to give blacks a voice in the running of the country.

The organisations opposing the tour paid tribute to veteran British anti-apartheid campaigner Peter Hain, who visited South Africa secretly last year to make a television film about apartheid in Sport.

They said they welcomed his support, but insisted he would have no part in planning the campaign against the tour.

"Peter Hain is a true son of the soil. He is trying to do good for our country," said NSC member Benedict Tengenifene.

"Mike Gatting's tour is an appeasement of a few white players and their black stooges. The voice of the people must be obeyed," he said.

Imran & Co. out for only 107

Aussie bowlers rout Pakistan

MELBOURNE, Jan 13, (Reuters): Australia's three-pronged pace attack of Terry Alderman, Carl Rackemann and Merv Hughes tore the Pakistan batting apart on the second day of the first Test today to put the home side in a commanding position.

Pakistan were dismissed for 107 in their first innings just before the close. Australia's openers survived two overs in their second innings to finish on one for no wicket.

Protecting a modest first innings total of just 223, the Australian pacemen extracted bounce and movement off the seam and were backed up by excellent catching behind the stumps.

Terry Alderman continued the same naggingly accurate line that demoralised England in last year's Ashes series and ended with three for 30 from 19 overs. Rackemann took three for 32 and the fiery, moustachioed Merv Hughes snatched three for 34.

Pakistan tailenders Tauseef Ahmed and Waqar Younis were the only batsmen to offer some resistance to the pace barrage, frustrating the bowlers after the tea break.

Tauseef in particular showed tremendous courage after he was twice hit by Hughes on the arm. After the second blow he collapsed to the ground, writhing in pain.

After a 35-run partnership Waqar was finally out, leg before to spinner Peter Sleep for 18, when the score was on 106.



Alderman: took three wickets for 30

The Pakistan innings started badly when Shoaib Mohammad was caught by wicketkeeper Ian Healy down the leg side from an Alderman delivery for six. Alderman then trapped Aamer Malik leg before wicket for seven. Aamer was visibly upset by the decision after seeming to be hit high on the pad. Mansoor Akhtar gave Mark Taylor the first of his three catches at second slip off the bowling of Carl Rackemann.

After lunch Javed Miandad gave Healy a comfortable catch from an Alderman delivery and was out for three.

Ejaz played some convincing shots including one powerful pull shot off Hughes before the Victorian bowler claimed his wicket for 19, Taylor taking a good catch to his left.

Wicketkeeper Younis made 16 before he snicked a Hughes delivery into the safe hands of Taylor.

Wasim Akram scored six before Healy made a diving catch to give Hughes his third wicket. Captain Imran Khan followed soon after, caught by Alderman at first slip off Rackemann, and the tourists were reeling at 71 for eight.

After resuming on Saturday at 198 for six, the Australian tail slumped, losing their last three wickets for no runs in the space of six deliveries.

Pakistan pace bowler Wasim continued his fine form of Friday, picking up the wickets of Peter Sleep, Merv Hughes and Terry Alderman.

Wasim finished with the excellent figures of 62 for six wickets, the sixth time the left hander has claimed five wickets or more in a Test match.

Healy was the last man out, caught for 48 hooking off the bowling of Aaqib Javed.

Scoreboard

AUSTRALIA first innings	
G. Marsh c Younis b Wasim	30
M. Taylor c Aaqib b Imran	52
D. Boon lbw b Wasim	0
A. Border c Miandad b Wasim	24
D. Jones c Younis b Imran	0
S. Waugh c Younis b Aaqib	20
P. Sleep lbw b Wasim	23
I. Healy c Shoaib b Aaqib	48
M. Hughes c Mansoor b Wasim	8
T. Alderman c Aamer b Wasim	0
C. Rackemann not out	18
Extras (lb-9 nb-9)	18
Total	223
Fall of wickets: 1-90 2-90 3-98 4-98 5-131 6-148 7-201 8-223 9-223	
Bowling: Imran 18-6-53-2, Wasim 30-9-52-6 (8nb), Aaqib 22-1-47-2, Waqar 12-3-27-4 (1nb), Tauseef 8-1-25-0	
PAKISTAN first innings	
Aamer Malik lbw b Alderman	7
Shoaib Mohammad c Healy b Alderman	6
Mansoor Akhtar c Taylor b Rackemann	5
Javed Miandad c Healy b Alderman	3
Ejaz Ahmed c Taylor b Hughes	19
Imran Khan c Alderman	3
Salim Younis c Taylor b Hughes	16
Wasim Akram c Healy b Hughes	8
Tauseef Ahmed not out	9
Waqar Younis lbw b Sleep	18
Aaqib Javed c Healy	15
Extras (lb-1 lb-4 nb-10)	15
Total	107
Fall of wickets: 1-12 2-20 3-20 4-44 5-44 6-65 7-71 8-71 9-106	
Bowling: Alderman 19-6-30-3 (8nb), Rackemann 21-5-9-32-3 (2nb), Hughes 17-7-34-3 (2nb), Sleep 8-5-6-1	
AUSTRALIA second innings	
M. Taylor not out	0
G. Marsh not out	0
Extras (nb-1)	1
Total (for no wicket)	1
Bowling to date: Wasim 1-1-0-0, Aaqib 1-0-1-0 (1nb)	



Richardson hits ton

KINGSTON, Jan 13, (Reuters): West Indies Test batsman Richie Richardson marked his 28th birthday in grand style yesterday with his 19th first-class century to bolster leeward islands on the first day of their four-day Red Stripe cup cricket match against Guyana at Basseterre.

It was a double celebration for Richardson, who was leading the leewards in a full match for the first time. But his masterful 125 not out was not matched by the efforts of his team mates and the leewards were all out for 245.

They struck back by taking two Guyana wickets for 18 runs by the close.

Fellow Test player Carlisle Best played a similar role for Barbados in Kingston when he hammered an unbeaten 142 to help his side recovered from a poor start to reach 304 for five on the opening day of their match against Jamaica.

After Barbados had lost two wickets for only three runs, Best took command with delightful strokes to all parts of the ground, striking 11 fours and four sixes.

Spurs beat Celtics

Knicks edge Pacers

BOSTON, Jan 13 (AP): The San Antonio Spurs ended a 20-game losing streak against Boston with a 97-90 victory over the Celtics last night behind Willie Anderson's 21 points.

The Spurs, who hadn't beaten Boston since Jan 5, 1980, outscored the Celtics 31-15 in the second period for a 56-43 halftime lead, then survived a nine-point third quarter. San Antonio outscored the Celtics 35-13 at the free-throw line and made 16 in the fourth quarter.

With Larry Bird still sidelined with a twisted ankle, the Celtics closed to within one point three times in the fourth period, the last at 77-76 with just over six minutes left.

The Spurs, 23-8 after winning just 21 games last season, then went on a 10-2 run, including four free throws by Anderson and a pair by Maurice Cheeks, to pull away.

Reggie Lewis led the Celtics with 22 points.

Knicks 101, Pacers 96

Patrick Ewing scored 20 points, including the basket that put New York ahead to stay in overtime against Indiana.

The Knicks, 4-0 in overtime this season, had a chance to win in regulation with the score tied 89-89. But Ewing missed a left-handed hook and Trent Tucker missed a shot at the buzzer to force the overtime.

Detlef Schrempf led Indiana with 26 points and 10 rebounds, followed by Reggie Miller and Rik Smiths with 22 points each.

Bulls 107, Hornets 95

Michael Jordan scored 45 points and Chicago broke its three-game losing streak by defeating Charlotte.

Jordan hit 19 of his 28 shots from the field, after shooting just 46 per cent during the Bulls' losing streak, their longest of the season. All of the losses came on the road.

Cavaliers 113, 76ers 102

Mark Price scored 30 points, including 15 in the third period, for Cleveland against Philadelphia.

The 76ers trailed 84-79 before Cleveland scored the first seven points of the fourth period, including four by Larry Nance. The Cavaliers increased the lead to 98-85 with 8:28 remaining, but the sixers scored the next eight points, closing within five with 6:43 left.

Results

San Antonio	97	Boston	90	Detroit	97	Minnesota	96
New York	101	Indiana	96	L.A. Clippers	95	Milwaukee	94
Cleveland	113	Philadelphia	102	Phoenix	111	Sacramento	96
Chicago	107	Charlotte	95	L.A. Lakers	107	Houston	98

Coghlan wins 3,000 metres

HAMILTON, Ontario, Jan 13, (Reuters): Ireland's Eamonn Coghlan sped past Canadian Graeme Fell with 60 metres to go to win the 3,000 metres race yesterday at his first indoor track meet in two years.

The 37-year-old Coghlan had slipped quietly into retirement in 1989 and decided only last week to make a comeback.

Coghlan was clocked in eight minutes 5.48 seconds to win the event at the Hamilton Indoor Games. Fell finished one metre back in 8:05.56.

With a lap and a half to go, Coghlan, a 15-year veteran with more than 80 sub four-minute miles to his credit, began closing in and the flashed past Fell in a move that caught the Canadian off guard.

"It was surprising how fast he came by me," said Fell. "He's foxy and has had a lot of experience."

Coghlan's time was well off the world indoor best for the event of 7:39.2, but the Irishman was satisfied with his effort. "I haven't sprinted like that in three years indoors. It was important for me to win for my confidence," he said.

In other events, American Steve Scott won the mile in 4:05.15, beating out Ireland's Marcus O'Sullivan, who finished in 4:05.93.

Nick Saunders, of Bermuda, took the men's high jump by clearing 2.24 metres on his second attempt. Canadian Milt Ottey was second, after needing a third attempt to clear 2.24. American Hollis Conway, the silver medalist at the Seoul Olympics, was third with a jump of 2.21 metres.

South African-born Freddie Williams, now a resident of Toronto seeking Canadian citizenship, set a meet record to win the 1,000 metres in 2:25.37.

Williams chased down Californian Ray Brown on the final turn and caught him at the wire. Brown finished in 2:25.57 and American Stanley Redwine was third in 2:25.94.

Somalian Abdi Bile, the world 1,500 metres champion in 1987, made his move from the back of the pack with 200 metres to go but was boxed in and could not pass Williams.

Bile finished fourth in 2:26.37.

The meet drew a crowd of 9,300. Two years ago it attracted about 11,000 fans when sprinter Ben Johnson set a world indoor best in the 60-yard event.



Coghlan: making a comeback

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